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Review of the technical cooperation activities of UNCTAD and their financing

Report by the Secretary-General of UNCTAD

Annex I: Review of activities undertaken in 2014

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Abbreviations

ACP	African, Caribbean and Pacific Group of States
ASEAN	Association of Southeast Asian Nations
ASYCUDA	Automated System for Customs Data
BIT	bilateral investment treaty
CBD	Convention on Biological Diversity
CBD COP	Conference of the Parties to the Convention on Biological Diversity
CEFTA	Central European Free Trade Agreement
CIS	Commonwealth of Independent States
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
COMESA	Common Market for Eastern and Southern Africa
COMPAL	Competition and Consumer Protection for Latin America
DFQF	duty-free and quota-free
DITC	Division on International Trade in Goods and Services, and Commodities (UNCTAD)
DMFAS	Debt Management and Financial Analysis System
EAC	East African Community
ECA	Economic Commission for Africa
Empretec	Entrepreneurship Development Programme (UNCTAD)
FDI	foreign direct investment
GCC	Gulf Cooperation Council
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (German Agency for International Cooperation)
GSP	Generalized System of Preferences
GSTP	Global System of Trade Preferences among Developing Countries
ICT	information and communications technology
IIA	international investment agreement
ILO	International Labour Organization
INFOCOMM	Market information in the commodities area (UNCTAD project)
IPFSD	Investment Policy Framework for Sustainable Development
IPR	Investment Policy Review
ISDS	investor–State dispute settlement
ITC	International Trade Centre
KPPU	Indonesian Commission for the Supervision of Business Competition
LDC	least developed country
LLDC	landlocked developing country
LOAF	Lao Organic Forum
MC9	ninth WTO Ministerial Conference
MDG	Millennium Development Goal
MOU	memorandum of understanding
NAMA	non-agricultural market access
NGO	non-governmental organization
NTM	non-tariff measure
OCHA	United Nations Office for Coordination of Humanitarian Affairs
OECD	Organization for Economic Cooperation and Development
OIC	Organization of the Islamic Conference
OILGASMINE	Africa Oil, Gas and Minerals Trade and Finance Conference and Exhibition
PSC	Palestinian Shipper Council
SADC	Southern African Development Community
SDG	sustainable development goal

SECO	State Secretariat for Economic Affairs of Switzerland
SIDS	small island developing State
SME	small and medium-sized enterprise
SPR	Services Policy Review
TDB	Trade and Development Board (UNCTAD)
TNC	transnational corporation
TRAINS	Trade Analysis and Information System
UNCITRAL	United Nations Commission on International Trade Law
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNFCCC COP	Conference of the Parties of the United Nations Framework Convention on Climate Change
UNGCP.	United Nations Guidelines for Consumer Protection
UNIDO	United Nations Industrial Development Organization
UN-OHRLLS	United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States
UNOPS	United Nations Office for Project Services
Vi	Virtual Institute (UNCTAD)
WAEMU	West African Economic and Monetary Union
WHO	World Health Organization
WIF	World Investment Forum
WIPO	World Intellectual Property Organization
WIR	*World Investment Report*
WITS	World Integrated Trade Solution
WTO	World Trade Organization

Country/territory/region codes

AFG	Afghanistan
ALB	Albania
ALG	Algeria
ANG	Angola
ANL	Anguilla
ANT	Antigua and Barbuda
ARG	Argentina
ARM	Armenia
ARU	Aruba
AZE	Azerbaijan
BAH	Bahrain
BAL	Baltic States (regional)
BAR	Barbados
BDI	Burundi
BEN	Benin
BER	Bermuda
BGD	Bangladesh
BHA	Bahamas
BHU	Bhutan
BIH	Bosnia and Herzegovina
BKF	Burkina Faso
BOL	Plurinational State of Bolivia
BOT	Botswana
BRA	Brazil
BRU	Brunei Darussalam
BUL	Bulgaria
BVI	British Virgin Islands
BYE	Belarus
BZE	Belize
CAF	Central African Republic
CAM	Central America (regional)
CAR	Caribbean (regional)
CAY	Cayman Islands
CHD	Chad
CHI	Chile
CIS	Commonwealth of Independent States
CKI	Cook Islands
CMB	Cambodia
CMR	Cameroon
COI	Comoros
COL	Colombia
COS	Costa Rica
CPR	China
CRO	Croatia
CUB	Cuba
CVI	Cabo Verde
CYP	Cyprus
CZE	Czech Republic
DJI	Djibouti
DMI	Dominica
DOM	Dominican Republic
DRC	Democratic Republic of the Congo
DRK	Democratic People's Republic of Korea
ECU	Ecuador
EGY	Egypt
ELS	El Salvador
EQG	Equatorial Guinea
ERI	Eritrea
EST	Estonia
ETH	Ethiopia
EUR	Europe
FIJ	Fiji
GAB	Gabon
GAM	Gambia
GBS	Guinea-Bissau
GEO	Georgia
GHA	Ghana
GIB	Gibraltar
GLO	Global
GRN	Grenada
GUA	Guatemala
GUI	Guinea
GUY	Guyana
HAI	Haiti
HON	Honduras
HUN	Hungary
IND	India
INS	Indonesia
INT	Interregional
IRA	Islamic Republic of Iran
IRQ	Iraq
IVC	Côte d'Ivoire
JAM	Jamaica
JOR	Jordan
KAZ	Kazakhstan
KEN	Kenya
KIR	Kiribati
KUW	Kuwait
KYR	Kyrgyzstan
LAO	Lao People's Democratic Republic
LAT	Latvia
LEB	Lebanon
LIB	Libya
LIR	Liberia
LIT	Lithuania
LSO	Lesotho
MAG	Madagascar

MAL	Malaysia
MAR	Mauritius
MAT	Malta
MAU	Mauritania
MCD	The former Yugoslav Republic of Macedonia
MDV	Maldives
MEX	Mexico
MLI	Mali
MLW	Malawi
MOL	Republic of Moldova
MON	Mongolia
MOR	Morocco
MOT	Montserrat
MOZ	Mozambique
MYA	Myanmar
NAM	Namibia
NAN	Netherlands Antilles
NCA	New Caledonia
NEP	Nepal
NER	Niger
NIC	Nicaragua
NIR	Nigeria
NIU	Niue
OMA	Oman
PAK	Pakistan
PAL	Palestinian Authority
PAN	Panama
PAR	Paraguay
PER	Peru
PHI	Philippines
PNG	Papua New Guinea
POL	Poland
PRC	Congo
PUE	Puerto Rico
QAT	Qatar
RAF	Africa (regional)
RAS	Asia and the Pacific (regional)
RER	Europe (regional)
RLA	Latin America and the Caribbean (regional)
ROK	Republic of Korea
ROM	Romania
RUS	Russian Federation
RWA	Rwanda
SAF	South Africa
SAM	Samoa
SAU	Saudi Arabia
SEN	Senegal
SEY	Seychelles
SIL	Sierra Leone
SIN	Singapore
SLO	Slovakia
SOI	Solomon Islands
SOM	Somalia
SPM	Saint Pierre and Miquelon
SRL	Sri Lanka
STH	Saint Helena
STK	Saint Kitts and Nevis
STL	Saint Lucia
STP	Sao Tome and Principe
STV	Saint Vincent and the Grenadines
SUD	Sudan
SUR	Suriname
SVN	Slovenia
SWA	Swaziland
SYR	Syrian Arab Republic
TAI	Taiwan Province of China
TAJ	Tajikistan
TCI	Turks and Caicos Islands
THA	Thailand
TIM	Timor-Leste
TOG	Togo
TOK	Tokelau
TON	Tonga
TRI	Trinidad and Tobago
TUK	Turkmenistan
TUN	Tunisia
TUR	Turkey
TUV	Tuvalu
UAE	United Arab Emirates
UGA	Uganda
UKR	Ukraine
URT	United Republic of Tanzania
URU	Uruguay
UZB	Uzbekistan
VAN	Vanuatu
VEN	Bolivarian Republic of Venezuela
VIE	Viet Nam
YEM	Yemen
YUG	Yugoslavia
ZAM	Zambia
ZIM	Zimbabwe

Introduction

1. This annex provides a description of the main technical cooperation projects and other projects undertaken by UNCTAD in 2014. It is presented in accordance with the structure of the thematic clusters around which these projects are grouped. A table showing the individual projects implemented by each cluster follows the relevant section. The technical assistance and capacity-building activities draw on research conducted by UNCTAD and on policy suggestions arising from the UNCTAD intergovernmental machinery. The technical cooperation projects and other projects, including through synergies created within and among the clusters, also contribute to the implementation of the Aid for Trade initiative.

I. Cluster I: Capacity-building on trade negotiations and commercial diplomacy

Lead entity: Division on International Trade in Goods and Services, and Commodities

2. The programmes in this cluster (table 1) aim to substantially strengthen the capacities of developing countries, particularly least developed countries (LDCs), African countries, small and vulnerable economies and countries with economies in transition to integrate beneficially into the global economy and the international trading system, and to design and implement trade policies and participate effectively and coherently in bilateral, regional (including South–South) and multilateral trade negotiations on goods (including agriculture) and services, as well as to better benefit from preferential market access opportunities. The programmes also contribute to "Delivering as One" activities under the United Nations Development Assistance Framework (UNDAF), the CEB Inter-agency Cluster on Trade and Productive Capacity, and the Enhanced Integrated Framework for LDCs. They also contribute to interdivisional programmes such as Paragraph 166 courses and Virtual Institute (Vi) activities. The work under this cluster is delivered in cooperation with other parts of the UNCTAD secretariat, with other United Nations bodies, with intergovernmental and non-governmental agencies, and with other development partners.

Table 1
Capacity-building on trade negotiations and commercial diplomacy

Project number	*Short title*	*Period covered*	*Source of fund*
IRQ/0T/CAH	Trade policy and trade negotiations capabilities of the Government of Iraq strengthened within the frame of TBT/WTO	2013–	UNIDO
RAB/0T/CAK	Aid for Trade Initiative for the Arab States (AFT) Result 2 UNCTAD-led activities	2013–	UNDP
RAB/0T/DAR 14/001	Aid for Trade Initiative for the Arab States (AFT) Result 2 UNCTAD-led activities	2014–	UNDP
RAS/9X/78R	Assistance to countries of the Asian region on most-favoured nation and preferential tariffs negotiations	1997–	Japan

Project number	*Short title*	*Period covered*	*Source of fund*
INT/9X/77I	Technical cooperation on market access, trade laws and preferences	1997–	Multi-donor
INT/0T/2CT	Training in LDCs and developing countries on trade policies formulation	2003–	Norway
INT/0T/9AU	General Trust Fund on WTO accession	2009–	Multi-donor
INT/0T/9BG	General Trust Fund on Services, Development and Trade	2009–	Multi-donor
ROA-2243(P7)	Addressing the impact and implications of the global financial and economic crisis on developing countries through support to services sector development	2011–	Development Account
ROA-2904 (K8)	Capacity-building for the formulation and implementation of MDG-oriented trade policies in developing countries contributing to accelerating achievement of MDGs in the context of multiple and interrelated development challenges	2013–	Development Account
ROA-2905 (L8)	Addressing the impact of trade and trade agreements on employment in developing countries (UNCTAD)	2013–	Development Account
ROA-2939 (AR8)	Strengthening capacities of African countries in boosting intra-African trade	2014–	Development Account

A. Enhanced trade negotiations and trade policy formulation capacities for meeting the Millennium Development Goals

1. Support to developing countries on trade policy and trade negotiations

3. **Development context:** Trade remains a key instrument for growth and development, particularly for developing countries. However, it is widely recognized that trade benefits are not automatic. Trade is a necessary but not sufficient condition for triggering and sustaining growth and development. What, how, and in what sequence countries liberalize matter, as do the complementary policies and national development strategies that they choose to implement. Experience suggests that some countries are more successful than others in using industrial policies and in implementing adjustment mechanisms and safety nets to address the challenges arising from trade liberalization.

4. Since developing countries have increasingly relied on international trade for their national income and for employment over the past decades, the way in which – and the extent to which – they participate in international trade significantly affects their future development and poverty alleviation prospects. International trade serves as an instrument for achieving socioeconomic development objectives and the key enabler for the post-2015 global development agenda. While international trade negotiations can open up access to new markets, thus creating opportunities, they also represent daunting challenges for policymakers and trade negotiators as new rules and commitments resulting from such negotiations would define a country's participation in international trade. The challenge for developing countries is to design adequate national policies and negotiating strategies that best reflect their national development objectives, and to effectively participate in the negotiations so as to facilitate development-oriented outcomes. Human, analytical, policy-

related, regulatory and institutional capacities and resource constraints continue to impede their full and beneficial participation in trade negotiations.

5. Furthermore, the international trading system has become more complex, polarized and regionalized. Associated greater engagement of developing countries in trade liberalization initiatives at non-multilateral forums, such as plurilateral, regional and subregional trade negotiations, which increasingly address a wider array of issues ranging from tariffs to regulatory issues, place further onus on developing countries' capacities.

6. **Objective:** The objective of the programmes under this thematic issue is to assist beneficiary countries in building and enhancing human, policy-related and institutional capacities in assessing development implications of their engagement in the international trade negotiations, including those aimed at WTO accession, in establishing their own negotiating priorities and practical policy options and in reaping effective benefits from the resulting trade agreements and the evolving international trading system. The work under this thematic issue also promotes coherence between bilateral and regional trade agreements with the multilateral trading system, and supports regional cooperation mechanisms, including South–South trade cooperation, and better utilization of trade preferences. The programmes also support countries' efforts in formulating and implementing development-oriented comprehensive trade policy frameworks and services regulatory and institutional frameworks at the national level.

7. **Outputs:** The outputs from this assistance are set out below.

(a) The international trading system, WTO Doha negotiations and regional trade agreements

8. In 2014, UNCTAD assisted countries in participating in multilateral and regional integration groupings through capacity-building support, advisory services and analytical support. These activities were extended to trade negotiators and policymakers in individual developing countries, as well as country groupings such as LDCs, the African Group and the African, Caribbean and Pacific Group of States (ACP), contributing to their greater preparedness and technical capacities with regard to such technical issues as agriculture, non-agricultural market access (NAMA), services, rules and trade facilitation, as well as other topics of trade policy and negotiations. A substantial number of activities were undertaken to address heightened technical cooperation and capacity-building needs of developing countries in assessing the developmental implications of the outcomes that emerged from the ninth WTO Ministerial Conference (MC9) in Bali, December 2013, and identifying practical policy options for their informed policymaking with regard to multilateral trade negotiations specifically and within an evolving international trading system more generally.

9. These support measures were provided bearing in mind new and emerging, and persistent, development challenges that continue to confront developing countries, particularly LDCs, African countries and smaller and more vulnerable economies, such as the imperative of ensuring food security, overcoming commodity dependence, ensuring duty-free and quota-free (DFQF) market access for LDCs with more transparent and simpler rules of origin, and securing access to essential and infrastructure services and financial inclusion. These efforts were geared towards the enhanced and beneficial participation of LDCs, and African and ACP countries in international trade and the trading system.

10. For instance, at the request of the LDC group, UNCTAD organized a consultative technical meeting entitled "LDC brainstorming: In-depth review of MC9 outcomes and preparation for a post-Bali work programme" (5–6 March 2014) to help LDCs to undertake an in-depth review of development implications of the Bali outcomes, and to strategize

their approaches on the post-Bali work programme. In this event, the LDC group critically evaluated key issues, including trade facilitation, cotton, services waiver and collective request, DFQF market access and rules of origin, special and differential treatment, modalities on agriculture and market access, and identified elements of interest to them in the post-Bali work programme. Over the past decade, UNCTAD has contributed to making the case for, and conceptualizing, preferential market access on services trade in favour of LDCs. Following the event, dedicated support has been provided to the LDC group in formulating collective request for operationalizing LDC services waiver that could potentially lead to preferential market access opportunities for LDC services exporters, thereby marking an important milestone in supporting LDCs' structural transformation and diversification efforts, and strengthening their services sectors. This led to the second LDC retreat to further develop LDC approaches to the post-Bali work programme and evaluate the outcome of the high-level meeting on the LDC collective request.

11. Substantive support was also provided to ministerial and other high-level meetings of other regional groupings and related events, and preparatory processes thereof, to identify their common negotiating platforms in multilateral and regional trade negotiations. These included (a) the African group retreat on Bali outcomes (18–19 March 2014, Annecy, France); (b) the ACP retreat on Bali outcomes (4–5 July 2014, Lausanne, Switzerland); (c) the workshop "New dynamism and global trade architecture" (30 April–3 May 2014, Salzburg, Austria); (d) trade diplomacy course for staff of the League of Arab States under the Aid for Trade Initiative for the Arab States (10–13 November 2014, Cairo); (e) a "Workshop on Doha negotiations and post-Bali work programme: Implication for Arab States" (19–20 June 2014, Doha); (f) a "Workshop for Arab countries on Bali outcomes" (10–12 February 2014, Dubai); and (h) a workshop on the results of the ninth WTO Ministerial Conference for the Organization of the Islamic Conference (OIC) African countries (25–27 March 2014, Casablanca, Morocco).

12. UNCTAD contributed to the Aid for Trade Initiative. It participated in the work of the Aid for Trade Advisory Group of the Director-General of WTO through which UNCTAD contributed to the WTO Global Review of Aid for Trade. UNCTAD assisted developing countries with their participation in the global review.

13. Trade policy and trade negotiation capacities of countries were also built through activities organized by other Divisions of UNCTAD, including the Paragraph 166 training courses and the Vi. These included regional courses held in 2014 for economies in transition (July 2014, Belgrade) and for Western Asia (November 2014, Muscat).

(b) ACP–European Union negotiations on economic partnership agreements

14. UNCTAD extended targeted substantive support to the ACP States and regional groupings aimed at raising awareness and enhancing understanding among ACP policymakers and stakeholders on developmental implications of economic partnership agreement negotiations, strengthening national and regional capacities to design and implement policy, regulatory and institutional frameworks required to maximize the development potential of such agreements and regional integration processes as well as on the interface between these and the WTO Doha Round negotiations and subregional integration processes. On a regular and continuous basis, UNCTAD provided advisory and analytical support to Geneva-based trade negotiators of the ACP States, either individually or collectively, through their membership of the African Group, LDCs, landlocked developing countries (LLDCs), and small and vulnerable economies, in various areas of Doha negotiations with implication for economic partnership agreement negotiations, such as agriculture, NAMA, services, rules, development issues and trade facilitation. Such support activities were implemented in close coordination with the ACP secretariat office in Geneva.

(c) Trade policy formulation and implementation

15. With the search for national policies and strategies for inclusive and sustainable development becoming a central policy concern for many countries, UNCTAD intensified its support to developing countries in elaborating new comprehensive, development-centred trade policy frameworks. The objective of the support is to help them assess, formulate and implement a new-generation trade policy measures and strategies, as well as to strengthen self-sustainable national institutional capacities on trade policy formulation and implementation. UNCTAD's support activities contributed to enhanced understanding of developing countries' policymakers and stakeholders on national policies and strategies needed to achieve inclusive and sustained development, and to create an enabling environment under the international trading system. UNCTAD's intervention had a positive impact in strengthening human, institutional, and regulatory capacities in trade-related policies and negotiations in these countries.

16. In 2014, substantial progress was made in enhancing the understanding and capacity of the trade policy community of Angola and Zambia in increasing the contribution of trade to economic recovery, growth and sustainable development. National consultants were contracted, and draft reports on trade policy assessment were finalized towards the formulation of trade policy frameworks in the two countries. Advisory/capacity-building activities were undertaken in Zambia ("National workshop on trade policy review for Zambia", 28–29 July 2014 Lusaka) and in Angola ("National multi-stakeholder consolations for Angola's trade policy framework", 29–30 September 2015, Luanda), which contributed to improving the understanding of the trade policy community and the capacity of trade policymakers of the contribution of trade to the Millennium Development Goals (MDGs) and emerging post-2015 sustainable development goals (SDGs). Furthermore, the publication on national trade policy framework of Jamaica was finalized, and an advisory service on Kenya's trade performance and trade policy provided to the country. Preparatory works for advisory services and the formulation of trade policy studies have been initiated with the Dominican Republic, Namibia and Panama. UNCTAD also made substantive contribution to the following events on national trade policy formulation and implementation: a workshop on Cuban trade and inward investment legislation (30 June–1 July 2014, Milan, Italy) and the first Congress on Technological Management and Organizational Innovation (22–25 June 2014, Havana).

17. In the increasingly rules-based international trading system, beneficial participation in the global economy demands knowledge of the rules and their interpretation by designated regional and international judicial or quasi-judicial bodies.

18. The UNCTAD project on dispute settlement in international trade, investment and intellectual property develops training materials and delivers capacity-building activities on the procedural and substantive rules and main issues in international dispute settlement by the principal dedicated institutions. The project covers international investment dispute settlement under the rules of the International Centre for Settlement of Investment Disputes (World Bank Group); the WTO dispute settlement system as regards international trade in goods, services and intellectual property; dispute settlement in the field of intellectual property under the rules of the World Intellectual Property Organization (WIPO) Arbitration and Mediation Centre and on internet domain name dispute resolution; and the rules of the United Nations Commission on International Trade Law (UNCITRAL) on international commercial arbitration as a mode of international dispute settlement as well as dispute settlement under selected regional arrangements, namely the Association of Southeast Asian Nations (ASEAN), MERCOSUR (the "Common Market of the South"), and the North American Free Trade Agreement. The project seeks to help developing countries avoid disputes where possible and to manage unavoidable disputes effectively,

thereby allowing their participation in the international economy to be as effective as possible.

19. UNCTAD provides, on demand, training for government officials, lawyers and trade negotiators, academics, legal practitioners, trade associations, corporations and business people from developing countries and from countries in transition. In 2014 the following missions were conducted:

(a) The *Colloque scientifique annuel de la Société Française pour le Droit International* at an international event organized by the Centre de Droit international de l'Université Jean Moulin – Lyon III (May 2014, Lyon, France);

(b) The conference " Mediation in a global village: Commercial mediation vs. political dispute resolution" organized by the Duale Hochschule Baden-Württemberg, Germany (17–18 October 2014, Ravensburg, Germany). The conference addressed a multi-disciplinary audience, which included academics and students. The event compared experiences with mediation in peace brokering and in resolving commercial disputes with the aim of comparing lessons learned to extract useful practices;

(c) The third Asia Pacific Alternative Dispute Resolution Conference, organized by the UNCITRAL Regional Centre for Asia and the Pacific, co-sponsored by the Republic of Korea Ministry of Justice and in collaboration with the Republic of Korea Chamber of Commerce and Industry (17–18 November 2014, Seoul). The Conference brought together some 125 experts, practitioners, academics and government officials from 13 countries/territories from the region (including Australia, China, Hong Kong (China), India, Japan, Malaysia, Mongolia, New Zealand, Qatar, Singapore, Viet Nam, and the host country, the Republic of Korea) and international experts from the International Centre for Settlement of Investment Disputes, UNCITRAL and UNCTAD's dispute settlement project.

20. **Results/impacts:** UNCTAD contributed positively to the strengthening of capacities of developing countries and countries with economies in transition to participate effectively in the international trading system. It contributed to enhancing the understanding of developing countries' trade negotiators, policymakers and stakeholders on developmental implications of trade negotiations and their ability to analyse, formulate and implement trade policies and strategies in promoting their developmental interests. UNCTAD activities in these areas have sustained positive impact in strengthening human, institutional, and regulatory capacities in trade-related policies and negotiations in developing countries, particularly on trade and development, national trade policy formulation and implementation, and multilateral and regional trade negotiations with special focus on LDCs, Africa and small and vulnerable economies.

B. Support for accession to the World Trade Organization

21. **Development context:** Developing countries, countries with economies in transition and LDCs which are in the process of accession to WTO face important challenges. While accession to WTO could open up new economic opportunities, they are faced with the task of establishing strategies for and engaging in negotiations with trading partners so that their national development objectives and needs are duly reflected in the final commitments and in undertaking resource-intensive, trade-related and economy-wide policy reforms. The terms of accession would define their integration into the international trading system and would therefore have a bearing on their development prospects.

22. **Objectives:** Accession to WTO entails long and complex negotiations, which require extensive human resources and institutional capacities. The challenge is even greater for developing countries and LDCs that have limited financial, human and

institutional capacities. This is a major area of the UNCTAD technical assistance programme through which 22 acceding countries, including all acceding LDCs, are being assisted.[1] The objective of these activities is to assist beneficiary countries to better cope with complex accession processes and overcome the challenges in meeting WTO technical and legal requirements. More specifically, the activities aim at enabling countries to better conduct these negotiations taking into account their long-term developmental interests, and overcome their human resource and institutional constraints, so that their terms of accession are commensurate with their development, financial and trade needs, and conducive to their inclusive and sustainable development. This work includes assistance with negotiations before, during and after WTO accession, implementation, and policy and regulatory reform. The importance of development-oriented trade policy reform within the wider integrated policy framework involving all stakeholders is also a key focus of UNCTAD support.

23. **Outputs:** The UNCTAD trade-related technical assistance programme assists 22 acceding countries in negotiating or preparing their accession process, including all LDCs that are in the process of accession as well as recently acceded countries. The support activities, addressing different phases of the accession process – before, during and after accession – are highly resource-intensive and draw on the three pillars of UNCTAD's work. Substantive support to acceding countries is provided in various formats, including training activities for accession negotiating teams and other stakeholders in Geneva and in the field, including simulation exercises; advisory missions on both substance and the process of accession, and other advisory support on the preparation of beneficiary countries for accession negotiations, including the preparation of required documentation such as the memorandum of foreign trade regime; and organization of, and support to, national multi-stakeholder consultative meetings and sensitization events, including for the private sector and academia, as well as parliamentarians. Such advisory support is aimed at assisting the acceding countries in adjusting their trade policy regime to render it consistent with WTO agreements while taking into account their development objectives and strategies.

24. The implemented activities have included: provision of analytical, technical and strategic advisory support in the accession process; hands-on support in the preparation of documentation required for WTO accession (for example, memorandum of foreign trade regime and legislative action plans); hands-on support in the formulation of replies to questions submitted; review of market access offers in goods and services; review of draft legislation on foreign trade for WTO consistency; preparation of economic and sectoral impact assessments; conduct of training activities including study tours for government officials and other stakeholders involved in WTO accession process; organization and contribution to national sensitization events and multi-stakeholder consultative process; and contribution to regional and international events on WTO accession.

25. Advisory services, field missions and capacity-building activities conducted in the course of 2014 included the following: (a) advisory missions to Algeria on WTO accession issues (21–24 January 2014); (b) technical consultations with Liberia key negotiators on WTO accession issues (5 May 2014 and 26 May 2014, Geneva); (c) training workshops on WTO accession issues for officials from Iraq (2–6 June 2014, Beirut; 30 November–4 December 2014, Amman); (d) training, consultation and advisory services on Iran's WTO accession strategy (15–17 September 2014, Tehran); (e) technical consultations with Azerbaijan negotiators on WTO accession issues (1–3 July 2014, Geneva); (f) workshops on WTO accession issues for trade officials from the Comoros (23–27 June 2014 and

[1] Afghanistan, Algeria, Azerbaijan, Bhutan, Bosnia and Herzegovina, Cambodia, Cabo Verde, the Comoros, Ethiopia, the Islamic Republic of Iran, Iraq, Kazakhstan, the Lao People's Democratic Republic, Liberia, Nepal, Samoa, Seychelles, the Sudan, the Syrian Arab Republic, Turkmenistan, Uzbekistan and Yemen.

16–17 December 2014, Moroni); (g) technical consultations with Seychelles trade officials on tactics and strategy issues of WTO accession process (10 December 2014, Geneva); (h) advisory missions to Turkmenistan on WTO accession issues (30 April–2 May 2014, Ashgabat). Advisory services were also provided to regional and interregional events pertaining to WTO accession, such as the Seminar on Doha Negotiations and Accession Process to WTO organized by the Islamic Development Bank (15–17 September 2014, Istanbul).

26. UNCTAD implements these activities with a wide network of collaborating partners, including WTO, the World Bank, the Islamic Development Bank, the United Nations Industrial Development Organization (UNIDO) and the United Nations Development Programme (UNDP). An extensive network of cooperation is also established with national trade institutions and trade policymakers. Regular contacts were also maintained with donors.

27. **Results/impacts:** UNCTAD made direct contribution to the accession of developing countries to WTO. UNCTAD worked closely with Seychelles, whose accession package was adopted at the WTO General Council meeting on 10 December 2014 to become its 161st member. Seychelles originally applied for WTO membership in 1995 and the working party concluded the negotiations on 17 October 2014. Throughout this period, UNCTAD supported systemically and consistently the country's efforts towards that end, including through provision of evidence-basis analysis to assess development implications of WTO accession, trade policy reform, regulatory assessment and action plan, capacity-building support to national negotiating teams and the trade policy community and hands-on assistance on better managing accession processes and negotiations. The impact of these support activities has been to allow the negotiating team of beneficiary countries to be better prepared to engage in accession processes and deliberations by strengthening their technical expertise, negotiating capacity and skills. In the longer run, UNCTAD assistance contributed to developing trade-related capabilities, including in the formulation of comprehensive and sustainable medium- and longer-term trade policies, which would be nurtured through their positive engagement in the WTO accession process and the multilateral trading system more broadly.

C. Services for development and trade

28. **Development context:** Trade in services has become increasingly important for developing economies. Since the 1980s, world trade in services has expanded at a faster rate than that of merchandise trade and, today, many developed economies produce more services than goods. Services account for approximately 50 per cent of gross domestic product in developing nations. The growing importance of services economy and trade has led to the growth of trade agreements containing commitments relating to services. Efforts to boost trade in services are important for developing countries. Trade in services can contribute to employment creation and income generation, both of which are critically important for poverty reduction and post-2015 SDGs. Developing countries can profit from services trade by increasing exports of their own services and the gains from trade can be channelled towards supporting developmental efforts. In order to generate the expected development benefits, liberalization of the services trade needs to be properly paced and sequenced alongside the establishment of effective regulatory and institutional frameworks. This poses a challenge for developing countries, since for many of them, regulatory and institutional frameworks are still in their infancy.

29. **Objectives:** UNCTAD technical assistance for services aims to strengthen developing countries' capacity to make informed policy choices, at the national level and in the respective multilateral or regional negotiating forums, so as to effectively harness the

benefits of services trade and economy and to design and implement the required institutional, regulatory and policy frameworks. Among others, capacity-building support is provided to: build developing countries' supply capacity; increase their participation in international services trade; optimize the contribution of the services sector to employment, productivity and other development objectives. UNCTAD activities assist countries and regional integration groupings in harnessing the development opportunities arising from the services sector and services trade through support in policy designs, reforms of regulatory and institutional frameworks, negotiation and implementation of services trade agreements in WTO under the General Agreement on Trade in Services and other regional and bilateral agreements, creation of an enabling environment for entrepreneurship, and building competitive services supply capacities. The support provided is designed to enhance expertise and human, regulatory and institutional capacities to elaborate and implement national services regulatory frameworks, services sectoral assessments as well as preparations for multilateral and regional services negotiations with a view to responding to the challenges associated with parallel negotiations between the multilateral and regional tracks. Synergies are created with ongoing analytical and intergovernmental work, especially through the Multi-year Expert Meeting on Trade, Services and Development.

30. **Outputs:** The comprehensive work of UNCTAD on services, trade and development has helped developing countries better understand this area, and the potential opportunities this field can provide. Through country- and sector-specific assessments and field support, UNCTAD has assisted countries with the development of their service sectors. Services Policy Reviews (SPRs) for selected countries are undertaken to assess and improve the countries' policy and regulatory frameworks and trade policies, along with the impact of trade liberalization on specific sectors and countries and trade policy options that advance national sectoral development objectives. Guidance is provided for multi-stakeholder consultative processes and sharing of experiences and lessons learnt, to help countries identify best-fit national policies and regulatory and institutional frameworks. Innovative policy options, strategies and best-fit practices in the service sectors are identified. The work of UNCTAD work in this area has helped reform sector policies and regulations, improved access to essential services, and generated important data and reference material for multilateral and regional trade negotiations as well as for national services policy formulation.

UNCTAD provides demand-based assistance on SPRs, including specific country- and sector-focused services assessments that examine policy and regulatory frameworks and potential impact of trade liberalization. Such assessments provide beneficiary countries with the data and information necessary for making informed policy choices about accelerating national services development, and about the liberalization and regulation of service sectors at the national, regional and international levels. To date, SPRs have been conducted for Bangladesh, Kyrgyzstan, Lesotho, Nepal, Nicaragua, Paraguay, Peru, Rwanda and Uganda (phase I and II). Support was also provided to Colombia on its services policy paper. In 2014, the following national and regional events were organized to gather inputs and validate draft SPRs and policy recommendations, as well as share lessons learned through the exchange of national experiences in order to identify best-fit practices regarding services sector development: (a) national workshops on trade and services liberalization for Bangladesh officials (9–10 July and 25–26 November 2014, Dhaka); (b) national workshops on services for Paraguay officials (7–8 July and 1–3 September, 2014, Asunción); (c) study tour for Paraguayan officials to Chile (1–4 December 2014).

31. In 2014, advisory services were provided to policymakers and negotiators in developing countries, including LDCs. The expertise of trade officials in services negotiations was strengthened through national training workshops and seminars, along

with the preparation of national assessment studies in priority services sectors. UNCTAD also provided various working materials and studies addressing specific issues and problems identified during regional and multilateral negotiations. UNCTAD contributed to: (a) third Conference of Latin America Network for Research in Services: "Innovation and internationalization in services: New sources of economic development in Latin America" (13–14 March 2014, Mexico City); (b) the China International Fair for Trade in Services conference (27–31 May 2014, Beijing); (c) a seminar on trade in services for developing countries and LDCs (30 April–30 May, 2014, Wuhan, China).

32. Synergies were created with ongoing analytical and intergovernmental work, such as through the Multi-year Expert Meeting on Trade, Services and Development. These activities provided support to developing countries, especially LDCs, those in Africa and countries with special needs in accordance with the Doha Mandate, as well as countries with economies in transition, in establishing regulatory and institutional frameworks and cooperative mechanisms to strengthen their domestic services capacity and its efficiency, competitiveness and export capacity.

33. In 2014, UNCTAD contributed to international policy deliberations at various migration and development events, including those organized under the Global Migration Group, the International Organization for Migration, the World Bank and WTO. The Division on International Trade in Goods and Services, and Commodities (DITC) further coordinates the participation of UNCTAD in the Global Migration Group, and cooperates with international organizations and member States on migration issues. UNCTAD is also part of the Global Migration Group working group on mainstreaming migration into development. In the Global Forum on Migration and Development context, UNCTAD collaborated with other United Nations agencies to improve the policy and operational responses of the United Nations system and the international community to international migration. UNCTAD participated in and contributed to trade and development aspects of migration during the seventh session of the Meeting of the Global Forum on Migration and Development (14–16 May 2014, Stockholm) and the first preparatory meetings of Turkey's Global Forum on Migration and Development chairmanship (22 October 2014, Geneva). The deliberations helped in raising awareness on issues relating to migration and improving the understanding of measures needed to enhance the contribution of remittances to development.

34. UNCTAD strengthened policy analysis and advisory services on domestic regulation in the services sector. It continued providing technical assistance to developing countries engaged in WTO negotiations on services, including domestic regulation and the operationalization of LDC services waivers through the submission of collective requests of LDCs. It contributed to the conceptualization and analysis of practical options in implementing preferential market access on services in favour of LDCs.

35. **Results/impacts:** UNCTAD's comprehensive work on services, development and trade helped developing countries, LDCs, and countries with economies in transition to assess the contribution of services to development, economic growth, diversification and employment. UNCTAD assistance was important in facilitating countries' reforms of their service sectors with an emphasis on development, including in strengthening access to essential services, in developing pro-poor service policies and building supply capacity, and in generating important data and reference material for negotiations and policy decisions. The developmental benefits of international migration and related remittances received added emphasis by UNCTAD in the light of its growing impact on development prospects, particularly in the emerging post-2015 SDGs. This work has been appreciated by member States. The outcome of the Multi-year Expert Meeting on Trade, Services and Development was widely disseminated and

shared through international and national conferences, including WTO. These intergovernmental meetings fostered international consensus on key issues in the services sectors and related best practices in strengthening services trade and development. The dissemination of findings of the intergovernmental meetings and analyses of UNCTAD helped countries to consider steps towards strengthening their regulatory and institutional mechanisms in support of infrastructure services so that they can have a stronger positive impact on development. UNCTAD ground-level support, customized advice to specific countries, advisory missions and workshops enhanced the technical capacity for the development of services trade negotiators and policymakers in Geneva and in country capitals.

D. Capacity-building on market access, preferences, the Generalized System of Preferences, the Global System of Trade Preferences among Developing Countries, and other trade laws

36. **Development context:** The Generalized System of Preferences (GSP), instituted in 1971 under the aegis of UNCTAD, has contributed over the years to creating an enabling trading environment for developing countries, particularly LDCs. Challenges arise for beneficiaries in fully exploiting the market access opportunities available under these schemes, including by developing supply capacities and effectively meeting the rules of origin requirements. Following the WTO Hong Kong Ministerial Decision in 2005, in which members agreed that developed countries and developing countries in a position to do so would grant duty-free and quota-free market access for exports of LDCs, improvements were made to various GSP schemes and/or new schemes for LDCs were launched. The Bali Package adopted at the ninth WTO Ministerial Conference reaffirmed the continued importance of this issue for LDCs' trade and development prospects. The provision and utilization of trade preferences is a key goal of the MDGs and the Istanbul Programme of Actions adopted at the fourth United Nations Conference of the Least Developed Countries in 2013.

37. The Global System of Trade Preferences among Developing Countries (GSTP) was established in 1988 as a framework for the exchange of trade preferences among developing countries. The third round of GSTP negotiations (the São Paulo Round), launched at UNCTAD XI in 2004, was successfully concluded in 2010. The GSTP participants have been working towards expeditiously bringing into force the São Paulo Round results. Trade among developing countries has come to represent genuine economic opportunities. The 43 GSTP economies represented a market of US$11 trillion in 2010 and grew during the period 2000–2010 at nearly twice the world average growth rate. Trade cooperation under the GSTP could therefore bring about significant commercial gains.

38. **Objectives:** The objective of UNCTAD support on GSP and other preferential arrangements is to help developing countries – particularly LDCs – increase utilization of GSP and other trade preferences and in turn promote productive capacity development and increased trade. Such support includes raising awareness and enhancing understanding among exporters and government officials in beneficiary countries of the trading opportunities available under the schemes; strengthening understanding of technical and administrative regulations and laws governing preferential market access, particularly rules of origin; and disseminating relevant information for users of GSP and other preferential schemes.

39. The objective of UNCTAD support to the GSTP is to strengthen South–South economic cooperation, trade and integration. It enables participants to make effective use of the trade agreement in building and increasing trade among themselves. UNCTAD also provided substantive and operational support to GSTP participants to conduct the third

round of GSTP negotiations, the implementation of its results and further enhancement of the agreement.

40. **Outputs:** The outputs from this area of support are set out below:

1. Generalized System of Preferences and other trade preferences

41. UNCTAD continued to promote enhanced awareness among developing countries on ways to better utilize the preferences available under GSP and other preferential schemes through regular provision of information on a dedicated website, administrative support on certificates of origin, collection of data, publication of handbooks and newsletters on the GSP schemes, and technical cooperation and capacity-building services. In cooperation with the Ministry of Finance and Tokyo Customs of Japan, UNCTAD organized a national workshop on preferential rules of origin respectively in Ulan-Bator (8–11 June 2014) and in Hanoi (19–22 March 2014) for government officials who are responsible for issuance and verification of certificate of origins. The workshop aimed to build and strengthen understanding of the trading opportunities available under GSP and other preferential trade regimes and rules and regulations required to benefit from such opportunities. UNCTAD ensured the dissemination of relevant information through continued compilation and updating of the UNCTAD GSP database, based on the data submitted by GSP donor countries, which provides useful information on trade conducted under each preferential scheme.

42. **Results/impacts:** UNCTAD support on trade preferences contributed to building the knowledge base among beneficiaries of GSP and other trade preferences and helped them to consider ways of more effectively utilizing the trade preferences. Dissemination by UNCTAD of GSP-related information, including through the preparation of GSP handbooks and newsletters, and the compilation of GSP trade data, improved understanding and awareness of GSP among exporters and government officials in some individual beneficiary countries. UNCTAD contributed ideas towards making LDC preferences more effective, thereby supporting the goals set out in the Istanbul Programme of Action, adopted at the United Nations LDC IV Conference, having as objective to significantly increasing the share of LDCs in global trade.

2. Global System of Trade Preferences among Developing Countries

43. At the South–South level, UNCTAD provides its technical support to the GSTP participants. Following the successful conclusion of the Sao Paulo Round of the GSTP negotiations in December 2010, that has led to 20 per cent tariff cuts over 70 per cent of dutiable tariff lines, the DITC has continued to service the agreement on GSTP, and supported GSTP participants in coordinating and backstopping their activities.

44. **Results/impacts:** UNCTAD support to participants in GSTP ensured the smooth functioning of the agreement, and effective follow up of the São Paulo Round results towards its effective implementation by the signatories. Effective implementation of the São Paulo Round results is expected to further expand and deepen South–South trade and cooperation.

II. Cluster II: Trade analysis capacities and information systems

Lead entity: Division on International Trade in Goods and Services, and Commodities

45. The programmes under this cluster (table 2) aim to strengthen analytical, statistical and information bases and tools for trade and trade-related decision-making in developing countries, LDCs and countries with economies in transition, at national, regional, South–South and international levels, and for enhanced understanding of interactions among trade, competitiveness and development.

Table 2

Trade analysis capacities and information systems

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/CAI	Capacity-building in trade and gender	2013–	Multi-donor
RAF/0T/CBP	Assessment of NTM's potential for regional integration in SADC region		Germany
INT/0T/CBG	Non-tariff measures trust fund (under TNT programme)		World Bank
INT/0T/DAY	Collection and classification of United States non-tariff measures		European Commission
INT/12/X36	Trade Analysis Branch	2014–	Germany
ROA-2962 (N9)	Strengthening capacities of policymakers to assess implications of non-tariff measures in international trade and formulate appropriate policy responses	2014–	Development Account

A. Strengthened analytical tools and databases (including on non-tariff measures)

1. Trade information system and database

46. **Development context and objectives**: Policymakers, researchers and the private sector face a transparency gap with respect to trade control measures such as tariffs and, increasingly important, non-tariff measures (NTMs). Trade control measures including certain behind-the-border measures which determine market access conditions for developing countries. Reducing the current lack of transparency with regard to tariffs and especially NTMs helps developing countries in multilateral and regional trade negotiations, addressing market access constrains as well as domestic trade policymaking.

47. The Trade Analysis and Information System (TRAINS) is a database intended to increase transparency in international trading conditions. It specifically aims to reach government officials and researchers by providing them with comprehensive, up-to-date information on market access conditions such as applied tariffs and NTMs. It includes preferential tariffs applied in bilateral or regional trade agreements and non-reciprocal preferences. An example of the latter is the GSP, which has an impact on the export opportunities of developing countries. For purposes of dissemination, a web-based portal, the World Integrated Trade Solution (WITS), has been developed jointly with the World Bank. It is also jointly maintained. WITS provides free and unlimited access to TRAINS and other trade databases by member governments and other users such as companies and

researchers. The software also includes analytical tools allowing policymakers to assess the effects of trade policy changes such as tariff changes on trade and import tariff revenue.

48. **Outputs, results and impact**: The size of data elements of TRAINS accessible through WITS can be measured by comparing its size to that of a specialized library containing books on trade-related topics. The relative size would be 175 volumes of tariff schedules: 107 of which cover 2013; and 68, 2011 and before; and para-tariff measures, such as customs surcharges, and NTM data for 51 countries (using the methodology and classification developed by UNCTAD).

49. The number of new requests for access to TRAINS by means of the WITS software continues to increase. About 7,700 new users registered in 2014 in WITS.

50. The widespread use of TRAINS, particularly in the publications of other international organizations such as WTO, the World Bank and the International Monetary Fund, attests to its usefulness. Within UNCTAD, TRAINS has served as a primary data source for various research papers aiming at measuring the potential impact of the ongoing multilateral, regional and bilateral trade negotiations.

51. Among the regional secretariats actively collaborating with UNCTAD are those of the Latin American Integration Association, ASEAN and the Permanent Secretariat of the General Treaty on Central American Economic Integration.

52. TRAINS also contributed data for the calculation of MDG indicators on market access, namely indicator 8.6 (proportion of total developed-country imports from developing countries and LDCs, admitted free of duty) and indicator 8.7 (average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries).

53. Within the Transparency in Trade initiative UNCTAD cooperates with the African Development Bank, the International Trade Centre (ITC) and the World Bank to collect NTM data. UNCTAD has a leading role and coordinates the global effort. In 2014, additional data for about 25 developed and developing countries were collected. Data collection is linked to capacity-building programmes in developing countries and countries with economies in transition. In 2014, four two- to four-day courses were delivered and additional requests have been received.

2. South–South trade database

54. **Development context**. South–South trade provides developing countries with an opportunity to cultivate new exports that involve wider economic sectors than before and to enter into global value chains. It is essential for policymakers to have a comprehensive picture of all trade flows at a disaggregated section level. Information about bilateral trade flows is needed to inform policymakers about their development in terms of trade as well as for analytical purposes such as the integration of developing countries in regional and global value chains. The United Nations COMTRADE Database is the most comprehensive database on international trade. However, it has gaps in bilateral trade flows between smaller developing countries.

55. **Objectives**: The South–South trade database programme fills all gaps and estimates all bilateral trade flows at a disaggregated product level (HS six-digit level) where official information has not been made available to COMTRADE.

56. **Outputs, results and impact**: The data have been used to produce several publications, such as *Key Trends in International Merchandise Trade* and *Key Statistics and Trends in Trade Policy*, and several training workshops for developing countries, such as an UNCTAD short course for permanent missions in Geneva in May 2014, a workshop

held in Minsk for the Eurasian Economic Commission in October 2014, and the 2014 Paragraph 166 courses.

B. Strengthening the capacity for trade analysis (including on non-tariff measures)

1. Trade analysis capacity-building

57. **Development context:** Trade policymaking today is complex and multi-faceted. Trade policy frontiers have shifted relative to a decade ago. The difference between trade policy, narrowly defined (for example, tariffs), and domestic regulations that impact trade is increasingly blurred. The increasing fragmentation of production has led to the increasing importance of global and regional value chains. This implies higher trade of intermediate goods and increasing importance of compatibility and safety requirements. Concerns have been raised that assessing the link between trade and development where trade is measured by gross exports is increasingly inadequate, as most countries often only add some additional value to the exported products. Developing country governments need the tools to assess the implications of trade and trade policies adequately in order to design and negotiate appropriate policies that foster their sustainable development.

58. **Objectives and features:** UNCTAD activities in this area aim to develop the capacity of policymakers and those supporting policymaking (for example, experts and university researchers/lecturers) through training courses and to develop and publish methodologies to better assess the linkages between trade, trade policies and development. Another objective is to create a network of potential NTM data collectors for the global NTM transparency effort.

59. **Output:** An online training course on NTMs was developed jointly with Vi in 2014. A first call for applications raised the interest of about 300 policymakers and researchers. Due to capacity constraints, 80 policymakers and researchers were selected for the first edition of the course. The course was evaluated and participants confirmed that it had been useful for the understanding and assessment of NTMs and that they would use the knowledge received in their future work. Several requests for additional courses including regional courses, for example, for Africa and ASEAN, have been received. Four experts that received the certificate have been recruited and are contributing to the NTM data collection.

2. Regulatory distance in regional integration efforts

60. **Development context:** Many developing countries have greatly benefited from the integration in the global economy through international trade in goods and services. In the past, developing countries' integration in international markets was made possible by appropriate conducive policies such as tariff liberalization. Today, deeper integration in the global economy depends not only on liberal tariffs and supportive policies but increasingly requires policy responses to various forms of complex trade-related regional economic integration which increasingly include provisions on NTMs.

61. **Objectives and features:** The purpose of the project on regionalism and NTMs is to develop a strategy and to conduct preparatory work to support deep regional integration by systematically addressing NTMs, including harmonization of mandatory standards and mutual recognition of conformity assessment.

62. **Activities:** A study has been prepared about the current state of deep regional integration in the Southern African Development Community (SADC) regarding NTMs in 2014, and identification of products of high importance and potential for regional trade. A methodology to assess the regulatory distance with regard to NTMs and to assess their

impact, particularly in the context of deep regional integration, has been developed and published (*Non-Tariff Measures and Regional Integration in the Southern African Development Community*, UNCTAD/DITC/TAB/2014/5). A validation and needs assessment workshop with the SADC secretariat and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) as well as other regional stakeholders was organized. GIZ funded the project on regional integration and NTMs.

63. **Outputs, results and impact:** The analytical methodologies that UNCTAD developed to determine the status quo, the potential and the benefits of NTM harmonization were highly appreciated by the participants of the final stakeholder workshop. Particularly the so-called "regulatory distance" methodology was called "exactly what was needed" and "an eye opener" for regional integration. The developed methodologies under this project will fill a gap (*Deep Regional Integration and Non-tariff Measures: A Methodology for Data Analysis*, UNCTAD/DITC/TAB/71).

64. As an immediate follow-up to the workshop, the studies, the workshop and the meeting report were used as inputs for a response of the SADC secretariat to a request from the SADC Committee of Ministers Responsible for Trade. A coordinated strategy was developed for the different stakeholders with different comparative strengths to continue the support for deepening regional NTM integration in the short, mid and long term. Other regions, for example the Common Market for Eastern and Southern Africa (COMESA), invited UNCTAD to present the results as inputs to meetings of national government non-tariff barrier focal points.

3. Trade, gender and development

65. **Development context:** Women make enormous contributions to economies, whether in businesses, on farms, as entrepreneurs or employees, or by doing unpaid care work at home. But they also remain disproportionately affected by poverty, discrimination and exploitation. Gender discrimination means women often end up in insecure, low-wage jobs, and constitute a small minority of those in senior positions. Discrimination curtails access to economic assets such as land and loans, and it limits participation in shaping economic and social policies. And because women perform the bulk of household work, they often have little time left to engage in paid activities or to upgrade their skills. Providing economic opportunities to women is not only the right thing to do from a human rights perspective, it is also a very promising path for sustainable economic growth. In the developing world, women make up 43 per cent of agricultural labour, though they have much lower access than men to productive resources such as title to land, inputs and technical know-how. But women spend more of their income on nutrition and education for their families than do men, and thus empowering women economically also has implications for inter-generational mobility and empowerment. Thus, addressing gender equality is not only an objective of trade and development policy but also a means of implementing and achieving other universal development goals related to health, nutrition, education and equality.

66. Trade integration can be expected to affect different groups of the population very differently. For instance, workers in the export sectors might gain while those in import competing sectors may be adversely affected; firms in the informal sector might come under pressure from import goods or informalization could increase as large firms outsource production; small-scale rural agricultural producers might be net losers while large-scale commercial farmers might integrate successfully into global value chains. Each of these impacts also has an additional gender dimension, which needs to be addressed. Economic policies, including trade policy, may be powerful tools to overcome the specific difficulties faced by women as economic agents and to narrow the gender gap. However,

for this to happen, policymakers have to be fully aware of the discrete impact that trade policy may have on different segments of the population, including men and women.

67. **Objectives and features:** UNCTAD is committed to using trade and development policies to tackle different types of inequalities in the world, whether it is inequality between countries, within countries and between different social and demographic groups. Addressing gender inequality and promoting women's empowerment remains a critical part of the UNCTAD mandate, its everyday activities and its long-term goals. UNCTAD's comprehensive work on trade, gender and development has been funded so far through UNCTAD's regular budget, the United Nations Development Account, together with resources provided by donor countries. During the reporting period, financial support was provided by Finland and Norway.

68. The work of UNCTAD in this area includes:

(a) Analytical work;

(b) Capacity-building activities;

(c) Contribution to a United Nations-wide gender action plan and cooperation with other international organizations within and outside the United Nations family.

69. **Outputs:** The main achievements during the period under review are described in the following paragraphs:

(a) Analytical work

70. UNCTAD conducts research at the country level on the impact of trade liberalization and facilitation on gender equality and women's well-being. These country case studies stand out not just because they render women in the economy visible; they also offer countries concrete and extensive policy guidance on how trade policy can promote gender equality. Three studies were published in 2014. The study, *The Fisheries Sector in the Gambia: Trade, Value Addition and Social Inclusiveness* (UNCTAD/DITC/2013/4) was published in February. Using both a quantitative and qualitative approach, the study provides an overview of the existing structure of the fisheries sector in the Gambia, including its gender dynamics, and examines the constraints and potentials associated with the expansion and further export orientation of the sector. The study, *Who is Benefiting from Trade Liberalization in Rwanda? A Gender Perspective* (UNCTAD/DITC/2014/2) was published in October. It examines the gender impact of trade liberalization in Rwanda by looking at the direct effect of exports on employment, as well as the effect of imports on female welfare and government spending. The third publication is entitled *Looking at Trade Policy through a "Gender Lens"* (UNCTAD/DITC/2014/3). It presents the findings of the seven country case studies on trade and gender conducted by UNCTAD between 2010 and 2014. The countries reviewed were: Angola, Bhutan, Cabo Verde, the Gambia, Lesotho, Rwanda and Uruguay. All of the countries studied by UNCTAD have their own specific economic and social structures and histories, and yet they share many similarities in terms of the patterns of gender inequalities they manifest. The report presents key economic and trade policy recommendations that have been made to promote gender equality in the countries studied, but that can be of relevance for a larger number of countries.

71. Two UNCTAD Divisions – DITC and the Division on Globalization and Development Strategies – joined forces to develop a teaching manual on trade and gender. The manual is meant to provide an up-to-date learning resource on trade and gender issues to all stakeholders – researchers, policymakers and civil society representatives – involved in research, policy formulation and advocacy in this area. The manual (*Virtual Institute Teaching Material on Trade and Gender*) consists of two volumes: volume I, *Unfolding the Links* (UNCTAD/GDS/2014/1), discusses the conceptual, theoretical and empirical links

between trade and gender: volume II, *Empirical Analysis of the Trade and Gender Links* (UNCTAD/GDS 2014/2) introduces different quantitative approaches and methodologies to analyse these links empirically. The second volume is accompanied by a CD with application files which the learners can use for hands-on practice.

(b) Capacity-building activities

72. A national workshop was held in Kigali in November to present findings and recommendations from the study *Who is Benefiting from Trade Liberalization in Rwanda? A Gender Perspective*. The workshop provided the opportunity for the trade and gender communities to meet and discuss how to use trade policy to improve women's lives. More specifically, the meeting discussed how modernization of the agricultural sector in Rwanda will provide not only challenges but also opportunities to women. A national workshop was held in Montevideo in December to present the findings of the study, *Who is Benefiting from Trade Liberalization in Uruguay? A Gender Perspective* (UNCTAD/DITC/2014/4). The process of trade liberalization and regional integration that Uruguay has undertaken has been gradual, but it has brought a profound transformation of the country's productive structure, trade patterns and patterns of specialization. The meeting discussed how this transformation has distinct effects on women and men.

73. In October 2014, UNCTAD delivered a seminar on "The role of women in international trade" in Ramallah, including best practices and concrete recommendations based on a preliminary analysis of the situation of women in the State of Palestine. The seminar was attended by over 40 participants and received extensive media coverage. The seminar was meant to highlight the many facets of gender inequality and to provide examples of how trade impacts women in their different roles of producers, consumers, tax payers, and users of public services; and how gender inequalities impact on a country's trade performance and competitiveness. UNCTAD also provided a one-day training on gender mainstreaming for the Palestinian Shipper Council (PSC), targeting the various constituencies of the PSC and providing them with concrete recommendations on how to further boost gender mainstreaming within the organization.

(c) Contribution to a United Nations-wide gender action plan and cooperation with other international organizations

74. UNCTAD has actively contributed to the debate on the role of gender equality in the post-2015 development framework. In April, it published the policy brief "Trade, gender and the post-2015 development agenda". The aim of this policy brief is to highlight some linkages between gender and economics, especially trade, in the context of the post-2015 development agenda, and propose future targets and indicators for the areas covered by MDGs 3 and 8. Indeed, only if women are economically empowered can they benefit from the opportunities arising from expanded trade. In turn, trade can play its role of "enabler" of development if flanking economic and social policies are in place. Coherent economic and social policies are needed.

75. UNCTAD contributed to the Knowledge Gateway for Women's Economic Empowerment, an online platform managed by United Nations Women that brings together policymakers, the academia, entrepreneurs, and civil society activists, and facilitates knowledge mobilization, innovation and partnerships for women's economic empowerment. The Knowledge Gateway is an additional instrument to ensure that UNCTAD work and resources on women's economic empowerment reaches and benefits a global audience.

76. UNCTAD and the World Bank organized a joint event in January 2014 on "Women and trade in Africa: Realizing the potential" (20 January, Geneva). Participants heard that there is enormous potential for African countries to increase their trade regionally and

globally and women could play a key role in exploiting this potential if the obstacles they face are recognized and addressed. Trade also can serve as a powerful tool for women's empowerment and inclusive development in Africa. Both UNCTAD and the World Bank presented the findings of their research work on the topic.

77. UNCTAD and the Enhanced Integrated Framework joined forces to support the government of the Gambia for the update of the diagnostic trade integration study and published a joint study on the gender implications of the expansion of the fisheries sector (see above), which was issued in February 2014.

78. **Results**: The national workshop in Kigali in November 2014 was organized by UNCTAD, in collaboration with the Rwanda Ministry of Trade and Industry and with the participation of the United Nations Women's office in Rwanda. It was attended by around 50 participants from a large number of ministries and public institutions, private sector oragnizations (including the Women Business Chamber and the Women Council) and international organizations. The donor community and various media were also represented. The meeting provided the opportunity to reflect upon the possible impact on women of developments in agriculture, and the role of women as entrepreneurs and cross-border traders. The presence of the Director General of the Trade and Investment Department at the Ministry of Trade and Industry, and of the Permanent Secretary of the Ministry of Gender and Family Promotion allowed the trade and gender communities to have an open and informed exchange of views about the gender ramifications of national policies and strategies. The presentations made by UNCTAD experts also offered the opportunity for Rwanda's authorities to compare the development path chosen by their country with that of other LDCs. The senior representatives of the Government of Rwanda expressed the country's wish to implement most of the recommendations provided in the report and to keep cooperating with UNCTAD on trade-, gender- and development-related issues.

79. The national capacity-building workshop "Who is benefiting from trade liberalization in Uruguay? A gender perspective", based on the findings of the publication, was held in Montevideo in December 2014. The workshop was organized by UNCTAD, in collaboration with Uruguay's Ministry of Foreign Affairs. The workshop was attended by around thirty-five participants from the following institutions: the Ministry of Foreign Affairs, the Ministry of Labour and Social Security, the National Institute for Women, the Union of the Exporters of Uruguay, the Interdisciplinary Centre of Development Studies and the United Nations country office. The meeting provided a forum for representatives of the various institutions to reflect upon the impact of the process of trade liberalization and regional integration undertaken by Uruguay on women. The presence of UNCTAD experts and the data and analysis included in the country study proved useful in facilitating and informing the discussions. During the meeting, it was highlighted that Uruguay has put in place the Quality Management with Gende: Equity Model, a voluntary programme designed to help participating entities identify gender gaps in their areas of work and guide them towards the elimination of gender bias in recruitment, career development, and access to training. Uruguay wishes to strengthen the programme and make it available to all kinds of entities, including small and medium-sized enterprises (SMEs). Certification is an area where a close collaboration between Uruguay and UNCTAD is feasible and promising due to the great expertise of UNCTAD on standards and labelling and more generally on measures and strategies aimed at differentiating products on the market. The recommendations included in the country study are expected to inform the formulation of the 2016–2020 UNDAF of Uruguay.

80. The findings of the country case studies on trade and gender are the main basis for the related capacity-building activities conducted at the country level. More broadly, they have been largely used for the drafting of the teaching manual on trade and gender.

Moreover, those findings have also contributed to the post-2015 process with the publication of the policy brief, "Trade, gender and the post-2015 development agenda" (see above). Indeed, UNCTAD proposals for the post-2015 development framework are based on evidence gathered from the country case studies.

III. Cluster III: Trade, environment and development

Lead entity: Division on International Trade in Goods and Services, and Commodities

81. The projects under this cluster (table 3) aim to strengthen the capacity of developing countries to formulate and implement mutually supportive trade, environment, climate change and sustainable development objectives, develop their creative economies, and integrate sustainable development objectives in development strategies at all levels (Doha Mandate, paragraphs 18(b), 31(f), 56(g)(ii), 56(s) and 65(g)).

Table 3
Trade, environment and development

Project number	*Short title*	*Period covered*	*Source of fund*
URT/0T/DAK	United Nations inter-agency cluster "Delivering as one" joint programme on market value chains United Republic of Tanzania	2014–	UNOPS
INT/0T/3BB	Consultative task force on environmental requirements and international trade	2003–	Netherlands
INT/0T/6BP	Challenges and opportunities of implementing biodiversity-related multilateral environmental agreements	2006–	Switzerland
INT/0T/7BS	Climate Change Programme	2007–	Multi-donor
INT/0T/8AS	BioTrade facilitation programme, phase II	2008–	Switzerland
ROA-2960 (L9)	Supporting member States in developing and launching sustainable product export strategies through national sustainable product export reviews	2014–	Development Account

A. Enhanced opportunities in biodiversity-based trade

82. **Development context:** Biodiversity, as the source of many products and services utilized by society, is being lost at accelerating rates, caused by the widespread overexploitation of biological resources, the introduction of alien species, and the transformation of habitats. Biodiversity loss often destabilizes and reduces the productivity of ecosystems, weakening their ability to generate products and services and their capacity to deal with natural disasters and stress caused by humans, such as environmental pollution, degradation and climate change. The sustainable use of biodiversity is thus fundamental for long-term sustainable development. Developing countries, which are often endowed with rich biodiversity, face the great challenge of combining poverty alleviation and economic

growth with the sustainable use and conservation of biodiversity. Trade in products and services derived from biodiversity could be part of the solution to this problem.

83. Research shows that market interest and demand for biodiversity-based products and services is growing, giving countries that are rich in biodiversity a comparative advantage. However, developing countries often lack the capacity to turn this into a competitive advantage, meaning that the traded volumes of sustainably obtained biodiversity-based goods and services remain relatively low. The importance of trade as a positive incentive measure for biodiversity conservation is increasingly recognized at the national and international levels, and efforts are under way to promote trade that takes into account the preservation of the biodiversity of the environment and of the societies that depend on it. The UNCTAD BioTrade Initiative supports sustainable development through trade and investment in biological resources in line with the three objectives of the Convention on Biological Diversity (CBD).[2] These programmes respond to the limited capacity of developing countries to benefit from international markets for products whose production processes enable sustainable use and conservation of biodiversity.

84. **Objectives/features:** The BioTrade Initiative seeks to promote trade and investment in biological resources in support of sustainable development. Through the establishment of partnerships with national, regional and international programmes, it seeks to strengthen the capacity of developing countries to enhance the production of value-added products and services derived from biodiversity, both for domestic and international markets. The initiative, which supports sustainable development through trade and investment in biological resources, aims at giving concrete expression to the concept of sustainable use of biodiversity and to reconciling biodiversity conservation with the development aspirations of local communities in biodiversity-rich areas in developing countries. It also seeks to facilitate sustainable trade in biodiversity products and services through innovative collaborative arrangements that enhance sustainable bioresource management; supports BioTrade product development, value-added processing and market entry; promotes product differentiation and improves access to trade and pre-export finance; and articulates concerns related to biodiversity-based trade in the policy environment that affects such trade.

85. **Output:** In 2014, UNCTAD, through its BioTrade Initiative (supported by the State Secretariat for Economic Affairs of Switzerland (SECO)), continued to assist developing countries in strengthening the institutional capacity of the national BioTrade programmes in developing policy frameworks in support of such trade. It also provided technical assistance and advisory services to BioTrade programmes and partners in Colombia, Ecuador, Mexico and Peru on issues such as the BioTrade concept and methodologies, value chain development and market access opportunities.

86. In strengthening the capacity of BioTrade partners and stakeholders, UNCTAD gave its first e-learning course – Developing Joint BioTrade and Reducing Emissions from Deforestation and Forest Degradation (REDD+) – was conducted from 20 January to 3 March 2014. Two parallel sessions, one in English and one in Spanish, were organized for 54 registered e-students from public and private sector organizations in Brazil, Colombia, Ecuador, Peru and Zimbabwe. The course aimed at increasing the understanding of policymakers and business leaders of the linkages between the BioTrade Initiative and REDD+, and being prepared to develop related projects.

[2] The Convention's objectives are: the conservation of biological diversity; sustainable use of its components; and fair and equitable sharing of the benefits arising from the utilization of genetic resources.

87. On the occasion of the eighth session of the United Nations General Assembly Open Working Group on Sustainable Development Goals, UNCTAD in cooperation with the secretariats of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and the Organization of American States, organized a joint side event on "Sustainability at the intersection of trade, environment and development" on 5 February 2014, in New York. The event provided a platform to share views and inputs on trade as a key enabler in the preservation and sustainable use of biodiversity and wildlife as well as for enhancing livelihoods, and generating income and opportunities for welfare advancement. The side event provided delegates with perspectives of the trade and economic aspects of the discussions on SDGs.

88. UNCTAD continued to support the CITES secretariat in fostering sustainable and regulated trade of CITES-listed species under appendix II that are endangered. In the margins of the twenty-seventh meeting of the Animals Committee, held from 28 April to 3 May 2014 in Veracruz, Mexico, a joint UNCTAD–CITES–Python Conservation Partnership side event on "Innovative initiatives for the sustainable management of CITES appendix II-listed species" was organized on 29 April 2014. The event discussed innovative and pragmatic approaches for improving the management and trade of CITES-listed species.

89. UNCTAD participated in the twelfth meeting of the Conference of the Parties to the Convention on Biological Diversity (CBD COP 12) held from 6 to 10 October 2014 and the first meeting of the Conference of the Parties serving as the meeting of the Parties to the Nagoya Protocol on Access and Benefit-sharing held from 13 to 16 October 2014 in Pyeongchang, Republic of Korea.

90. On the occasion of CBD COP 12, and with the support of the secretariat of CBD, the third BioTrade Congress was organized on 12 October 2014 as one of the official events of the Business and Biodiversity Forum. The Congress provided a platform for the public and private sectors, civil society and international and regional organizations to share experiences and explore avenues on how to foster sustainable business engagement in biodiversity-based trade activities, and on ways to enhance the enabling policy framework for BioTrade Initiative activities, including in post-2015 development strategies. It also facilitated several business-to-business meetings between buyers and producers, which could lead in the elaboration of business contracts in the future. The event also raised the profile of UNCTAD as a key player in promoting sustainable development goals and poverty reduction through its activities for the protection and promotion of biodiversity and its sustainable use.

91. In increasing the awareness and understanding of BioTrade issues by public and private stakeholders, UNCTAD prepared the following publications:

(a) *New European Union Commission Proposals on Novel Foods Regulation (2013): A Preliminary Overview from the Perspective of Biodiversity-based and Traditional Foods* (UNCTAD/DITC/TED/2014/2);

(b) *Biodiversity and Climate Change: Integrating REDD+ into BioTrade Strategies. Report of the II BioTrade Congress* (UNCTAD/DITC/TED/2014/6);

(c) *Strengthening the Capacity for Integrating REDD+ Projects into BioTrade Strategies in Colombia* (UNCTAD/WEB/DITC/TED/2014/5).

92. UNCTAD organized and/or participated in various seminars, workshops and conferences as well as relevant discussions of international development processes:

(a) Side event on "Innovative initiatives for the sustainable management of CITES appendix II-listed species" during the twenty-seventh meeting of the CITES Animals Committee, 29 April 2014, Veracruz, Mexico;

(b) CBD COP 12, 6 to 10 October 2014, Pyeongchang, Republic of Korea;

(c) Third BioTrade Congress, 12 October 2014, Pyeongchang, Republic of Korea;

(d) First meeting of the Conference of the Parties serving as the meeting of the Parties to the Nagoya Protocol on Access and Benefit-sharing, 13 to 16 October 2014, Pyeongchang, Republic of Korea.

93. **Results:** Eighteen years after UNCTAD launched the BioTrade Initiative (in 1996) with the aim of promoting trade and investment in biodiversity as a means of furthering sustainable development, a number of countries and regions, as well as national and international stakeholders have made remarkable progress in embracing BioTrade concepts and principles as integral parts of their strategies and industries active in this area. Furthermore, BioTrade is being recognized as a tool to address poverty alleviation and to support sustainable livelihoods in developing countries.

94. UNCTAD's BioTrade Initiative has been seeking to promote trade and investment in biological resources to further sustainable development in line with CBD objectives. It has contributed to the identification of a group of producers, processors and retailers who are seriously engaged in and committed to sustainable use of biodiversity and to the fair and equitable distribution of benefits. Today, BioTrade is becoming even more relevant as efforts towards biodiversity conservation and sustainable use are called on to significantly scale up to achieve broader and more ambitious global conservation goals and to meet international targets. Additionally, BioTrade has a significant potential for contributing to the transition towards more sustainable economies, especially in developing countries. In this regard, BioTrade remains a key concept, process and activity, which increasingly recalls the attention of countries and social actors and entrepreneurs to effectively integrate and create positive synergies between conservation, sustainability, equity and trade-related measures.

95. The inclusion of UNCTAD's BioTrade in the following decisions of the CBD COP 12 highlighted the importance of BioTrade as an engine for the sustainable use of biodiversity and its conservation:

(a) UNEP/CBD/COP/DEC/XII/6 – Cooperation with other conventions, international organizations and initiatives: 18. "Calls upon the BioTrade Initiative of [the] United Nations Conference on Trade and Development to continue to strengthen its technical support to Governments, companies and other stakeholders to enable them to incorporate BioTrade, as well as sustainable harvesting practices within national biodiversity strategies and action plans, as appropriate, highlighting the importance of BioTrade as an engine for sustainable use of biodiversity and its conservation through the involvement of the private sector.";

(b) UNEP/CBD/COP/DEC/XII/10 – Business engagement: "Encourages businesses: (f) To increase, as appropriate, participation in and cooperation with the BioTrade Initiative of the United Nations Conference on Trade and Development, and initiatives of other organizations involved in BioTrade, at the national, regional and global levels, that are committed to the sustainable use of biodiversity, sustainable harvesting practices, and access and benefit-sharing under the framework of the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization."

B. Enhanced opportunities in renewable energy and biofuels

96. **Development context:** Conventional fossil fuels, such as petroleum and its derivatives, coal, and natural gas, are the primary sources of energy worldwide. The increasing greenhouse gas emissions stemming from escalating dependence on fossil fuel combustion are the single most important source of greenhouse gas concentration in the atmosphere, causing human-induced climate change. Continued overdependence on fossil fuels has economic, social, climate and biodiversity impacts, especially to the most vulnerable developing countries.

97. The production of biofuels – clean-burning, carbon-neutral fuels derived mainly from agricultural crops – has a number of benefits: it can reduce dependency on fossil fuel imports and increase energy security; it promotes job creation, economic diversification and rural development; and it reduces greenhouse gas emissions, thus helping to combat global warming. The greatest potential for the production of biofuels can be found in developing countries, whereas developed countries potentially provide the greatest markets. However, greater penetration of biofuels in energy markets requires enhanced policy coherence, including on food security, as it involves agriculture, energy, trade and climate policies. A well-targeted multisectorial approach is required if developing countries are to capture investment opportunities and development gains from the new emerging markets for biofuels. Increased production, domestic use and trade in biofuels may offer a real and pragmatic alternative to both developing and developed countries to meet their commitment to combat climate change and to achieve the MDGs.

98. **Objectives/features:** UNCTAD BioFuels Initiative offers a facilitating hub for programmes already under way in a number of institutions. The initiative, with its partners, adds value by providing interested countries with access to sound economic and trade policy analysis, capacity-building activities, and consensus-building tools. It tailors national strategies, based on specific national circumstances and needs. It attempts to share lessons from success cases – and to illustrate problems that are encountered by developed and developing countries alike in dealing with the technical, political and economic aspects of biofuels. The initiative works closely with the private sector towards the ultimate goal of developing the business and sustainable development case for increased production, domestic use, and trade in biofuels.

99. **Output and results:** The Biofuels Initiative continued to offer a facilitating hub for programmes or initiatives already underway in a number of institutions on renewable energy sources including biofuels. Together with its partners, it has provided developing countries with access to sound economic and trade policy analysis, capacity-building activities and consensus-building tools. It has maintained its partnerships with intergovernmental organizations, governments, applied research centres, non-governmental organizations (NGOs), the private sector, certification bodies and other relevant actors in the market. Through the initiative UNCTAD also continued its work on climate-friendly, cost-efficient and development-oriented green sectors, which are within reach of developing countries and LDCs by undertaking further analytical analysis on the theme of biofuels.

100. The BioFuels Initiative has served as a platform for UNCTAD's continued advocacy for developing countries' interest in the sustainable production and use of biofuels. In its participation in various meetings and conferences, UNCTAD has stressed the importance of considering the context and technical capacities of developing countries whenever considering more stringent sustainability rules for biofuels. It also underlined the importance of having some degree of regulatory stability (for predictability of investments) and keeping the door open to developing country content in this market, as a way to ensure its stability and fairness, both true components of sustainability. Biofuels are not to be

pursued as an energy option alone, but as an overall driver that allows technologies and benefits to flow towards agriculture in general.

101. As one of the implementing partners of the Nairobi Framework, which was established to improve the level of participation of developing countries, especially those in sub-Saharan Africa in the Clean Development Mechanism under the Kyoto Protocol, UNCTAD, through the BioFuels Initiative, supported the organization of the Africa Carbon Forum held from 2 to 4 July 2014 in Windhoek, Namibia. It contributed to the session on Bioenergy in the context of the SDGs. In the context of low carbon prices in the Clean Development Mechanism, African countries are looking for additional ways to promote low-carbon development in the continent. Bioenergy is seen as one of the contributors to low-carbon development, supporting ongoing discussions on the future of the Clean Development Mechanism. In addition, UNCTAD contributed to the organization of a joint event with the World Bank on renewable energy provision in the African context.

102. UNCTAD participated in the event stream on enabling domestic and international trade during the World Bio Markets Brazil 2014, held from 24 to 26 September 2014 in Sao Paulo. UNCTAD provided insights on the important aspects of bioenergy development for countries which are entering this market. A comprehensive publication, *The State of the Biofuels Market: Regulatory, Trade and Development Perspectives* (UNCTAD/DITC/TED/2013/8), was launched at the occasion by UNCTAD, obtaining significant press coverage.

In increasing the awareness and understanding of biofuels and renewable energy issues by public and private stakeholders, UNCTAD has organized and/or participated in various seminars, workshops and conferences as well as relevant discussions of international development processes, such as the Africa Carbon Forum 2014, 2 to 4 July 2014, Windhoek.

103. A policy brief on "The global biofuels market: Energy security, trade and development" (UNCTAD/PRESS/PB/2014/3) was also prepared and disseminated.

C. Trade and development opportunities in the climate change regime

104. **Development context:** Global concerns over the impact of climate change, particularly its adverse effect on developing countries, and the related significant economic costs associated with inaction, have put climate change very high on the international agenda. The projected climate impacts will hurt developing countries most, because their economies are more reliant on climate-sensitive sectors such as agriculture. Developing countries are also more vulnerable because they have limited human, institutional and financial capacity to anticipate and respond or adapt to climate change and natural disasters. As developing countries are already economically vulnerable, their economies – and particularly those of the LDCs – often rely on few exports and face negative terms of trade. To make their economies more resilient – both in general economic terms, and to the effects of adverse climate change – they will need to diversify. Economic diversification can be spurred by well-targeted foreign direct investment (FDI) into a variety of productive sectors including for exports.

105. The current climate change negotiations are generating important emerging trade and investment challenges for developing countries, particularly in the area of bioenergy. UNCTAD's Climate Change Programme has a significant role to play in the international climate change debate on the effects of – and policy responses to – global climate change, as well as to the United Nations-wide response strategy. In particular, the Climate Change Programme focuses on addressing the economic aspects of climate change and its trade and development implications.

106. **Objectives/features:** Admitting that future economies will be carbon-constrained, the Climate Change Programme contributes to preparing developing countries for the expected shifts in relative prices and in relative production costs stemming from the introduction of climate policies and measures. As there is a growing commitment to more active climate change policy, both at the national and international level, the programme addresses issues such as the trade competitiveness aspects of climate change policies; trade, development gains and investment opportunities arising as climate change measures are adopted, creating new markets for more efficient, innovative and less carbon-intensive products and processes; investment promotion and development gains in developing countries, which may derive from the development of projects under the Clean Development Mechanism; and compatibility issues between climate policy and trade rules.

107. **Output and results:** UNCTAD continued to assist countries in considering approaches to mitigating climate change while enhancing their development prospects. In 2014, UNCTAD started implementing the United Nations Development Account project on "Supporting member States in developing and launching sustainable product export strategies through national sustainable product export reviews". This new initiative centres on assisting interested developing countries in examining and developing green productive and export capacities as part of options for transition into greener and more climate-resilient economies.

108. In implementing the Development Account project, workshops on National Green Export Reviews were held in Quito from 10 to 11 June 2014 and Port Vila from 28 to 29 August 2014. The workshops provided a roadmap for implementing activities needed to stimulate national production and export of sustainable products through a country-owned and country-driven set of national activities. This participatory process involved a series of research, capacity-building and multi-stakeholder dialogues that assisted in the identification of sectors with potential for national production and export of green/sustainable products. Using UNCTAD's Green Product Space analyses, stakeholders identified promising green products for production and export and made policy recommendations for creating an enabling business environment for the selected sectors. In Ecuador, national stakeholders selected two sectors – cocoa and fisheries. In Vanuatu, national stakeholders selected three sectors – coconut, cocoa and sandalwood – as the green sectors of focus. Studies on these export sectors are being conducted.

109. An Ad Hoc Expert Group Meeting on Trade Remedies in Green Sectors: The Case of Renewables was held from 3 to 4 April 2014 in Geneva. This was the second ad hoc group meeting in a series dedicated to issues at the interface of green economy and trade.

110. UNCTAD organized a side event on the oceans economy and sustainable maritime transport during the third International Conference on Small Island Developing States, held from 1 to 4 September 2014 in Apia.

111. UNCTAD participated in the twentieth session of the Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC COP 20) held from 1 to 14 December 2014 in Lima. On this occasion and in partnership with the Development Bank of Latin America, a joint UNCTAD–Development Bank of Latin America side event on the BioTrade Inititiative, market innovation and social inclusion in climate diverse scenarios was organized on 10 December 2014. The event was organized to promote the creation of synergies between biodiversity conservation and climate change mitigation efforts. It provided practical examples on how BioTrade could be complemented by measures that contribute to climate change mitigation and adaptation in order to unleash private sector participation and engagement.

112. UNCTAD participated in and/or organized the following events on climate change and development:

(a) Ad Hoc Expert Group Meeting on Trade Remedies: The Case of Renewables, 3 to 4 April 2014, Geneva;

(b) First National Workshop on the National Green Export Review of Ecuador, 10 to 11 June 2014, Quito;

(c) Joint Working Party on Trade and Environment, 10 to 11 June 2014, Paris;

(d) Workshop on the National Green Export Review of Vanuatu, 28 to 29 August 2014, Port Vila;

(e) UNCTAD side event during the third International Conference on Small Island Developing States, 1 to 4 September 2014, Apia;

(f) Second International Oceans Research Conference, 17 to 21 November 2014, Barcelona, Spain;

(g) Regional seminar on lessons learnt and best practices of the Regional Project on Strengthening the Capacities in the Arab Region to Support Green Production Sectors, 1 to 5 December 2014, Muscat;

(h) UNFCCC COP 20, 1 to 14 December 2014, Lima;

(i) UNCTAD–Development Bank of Latin America side event on mainstreaming BioTrade into climate change policies, 10 December 2014, Lima.

113. The following publications and reports were prepared:

(a) *The Road from Rio+20: Towards Sustainable Development Goals* (UNCTAD/DITC/TED/2014/1);

(b) *Trade Remedies: Targeting the Renewable Energy Sector* (UNCTAD/DITC/TED/2014/3);

(c) *The Oceans Economy: Opportunities and Challenges for Small Island Developing States* (UNCTAD/DITC/TED/2014/5);

(d) *Baseline Study for the National Green Export Review for Vanuatu* (UNCTAD/WEB/DITC/TED/2014/3);

(e) *Estudio base para la revisión de la política de exportación de productos verdes del Ecuador* (UNCTAD/WEB/DITC/TED/2014/4).

D. Organic agriculture as an opportunity for inclusive and sustainable development

114. **Development context and needs of beneficiary countries:** At present, agriculture faces unprecedented challenges and exciting opportunities globally. The challenges result from the need to secure food supply for a rapidly growing human population, while at the same time having to minimize the adverse impacts of agricultural production on the environment. Exciting opportunities relate to new management options, opened up by alternative production targets, technological developments and changing consumer preferences.

115. A shift towards sustainable agricultural production entails the adoption of comprehensive, more system-oriented strategies. Such strategies include farm-derived inputs and productivity based on ecological processes and functions. Furthermore, it involves the traditional knowledge and entrepreneurial skills of farmers. The most consistent system-oriented sustainable practice is organic farming. Because of bans or restrictions on the use of many direct control techniques such as pesticides, herbicides, fast-

acting fertilizers or veterinary medicines, organic farmers rely heavily on preventive and system-oriented practices.

116. **Objectives/features:** UNCTAD is implementing organic agriculture development activities in the Lao People's Democratic Republic under the project "Enhancing sustainable tourism, clean production and export capacity in the Lao People's Democratic Republic", funded by SECO (Switzerland) under the framework of the United Nations Cluster on Trade and Productive Capacity. The project aims to strengthen the organic agriculture and the handicraft (especially the silk) industries in order to achieve spillover effects on those sectors through backward linkages, develop an overall competitive tourism industry, while at the same time improving the export volume and quality of the above-mentioned sectors, thereby positively impacting on poverty in targeted provinces of the Lao People's Democratic Republic. UNCTAD is contributing mainly to the organic agriculture and tourism components of the project (together with ITC).

117. **Output and results:** In 2014, UNCTAD supported the organization of the third Lao Organic Forum (LOAF 3), held from 14 to 15 July 2014 in Vientiane, jointly with the Ministry of Agriculture and Forestry and the Ministry of Industry and Commerce. The Minister of Agriculture and Forestry, Mr. Vilayvanh Phomkhe, opened the event with the participation of 80 key stakeholders from the public and private sectors, as well as farmers.

118. The LOAF aims to facilitate information and experience sharing among stakeholders interested in organic agriculture development in the Lao People's Democratic Republic. Specifically it is a platform to inform participants of the organic agriculture development in the country, as well as discuss future directions that could be undertaken by public authorities and the private sector (farmers) engaged in the organic agriculture market. It also seeks to facilitate information-sharing among civil society, the public and private sectors in the Lao People's Democratic Republic on organic agricultural development, traceability and standards, as well as linkages with the tourism industry in the country.

119. In LOAF 3, the exchange of experiences was expanded to include those of other countries, namely Thailand and Uganda; different agricultural sectors (for example, bioenergy); and possible anti-competitive issues. The sharing of different ideas helped to strategize on how to further develop the emerging organic agriculture sector in the Lao People's Democratic Republic. Participants identified challenges and opportunities, and suggested ways of expanding organic production in the country. Participants called for the continuation of LOAF and for the Government to appropriate it as a national annual event. LOAF 3 provided inputs for the Government to consider in drafting future legislation in the area of organic agriculture.

120. The publication *Enhancing Backward Linkages between Tourism and Other Sectors in* [the] *Lao People's Democratic Republic* (UNCTAD/DITC/TED/2014/4) was prepared. It provides key recommendations and highlights that in order to make the most of tourism and maximize the benefits to the Lao economy, there is a need to try and encourage tourists to stay in the country for longer and for the Lao People's Democratic Republic to become a destination in itself rather than simply a transit destination.

121. On the occasion of the sixty-first Trade and Development Board (TDB), a lunch event was organized on "Organic agriculture and development: Experiences from Uganda and the Lao People's Democratic Republic" on 22 September 2014. The event gathered key stakeholders from past, present and future organic agriculture projects supported by UNCTAD to promote better understanding, transparency and exchange of ideas on strategic directions and policy experiences for organic agriculture as a tool to promote institutional, social and economic improvements in developing and least developed countries. It also highlighted the outcome of LOAF 3 held in July 2014.

122. In cooperation with the Research Institute of Organic Agriculture in Switzerland, field visits to organic farms in Satigny (Willy Cretegny Vineyards) and Meinier (organic vegetables farm Famille Chenevard) were organized on 23 September 2014 for the delegates from the Lao People's Democratic Republic. The field visits enhanced their knowledge on how organic agriculture works in Switzerland and provided the ministry officials the opportunity to learn first-hand from Swiss organic producers in order to replicate this system in the Lao People's Democratic Republic.

123. Building upon the success of the organic agriculture project in the Lao People's Democratic Republic, UNCTAD is one of the implementing partners of the SECO/United Nations Cluster on Trade and Productive Capacity programme in the United Republic of Tanzania: "Market value chains relating to horticultural products for responsible tourism market access". Specifically, UNCTAD is providing facilitative support to organic producers and processors in partnership with the Tanzania Organic Agriculture Movement in addressing access to tourism market issues for premium organic products such as coffee, tea, cashew, honey and pineapples. In doing so, a study on the linkages between organic agriculture, good agricultural practices and the hotel sector in the United Republic of Tanzania is being prepared.

124. UNCTAD organized the following events on organic agriculture:

(a) LOAF 3, 14 to 15 July 2014, Vientiane;

(b) "Organic agriculture and development: Experiences from Uganda and the Lao People's Democratic Republic", 22 September 2014, Geneva;

(c) Field visit to organic farms in the Canton of Geneva, 23 September 2014 – Willy Cretegny Vineyards, Satigny and an organic vegetable farm (Famille Chenevard) in Meinier.

125. The following publications were prepared:

(a) *Enhancing Backward Linkages Between Tourism and Other Sectors in* [the] *Lao People's Democratic Republic* (UNCTAD/DITC/TED/2014/4);

(b) *Organic Agriculture Development in LDCs: Experiences from Uganda and Lao People's Democratic Republic*, Discussion paper 1, August 2014;

(c) *Lao Organic Agriculture Forums*, Discussion paper 2, September 2014.

E. Creative economy and sustainable development

126. **Development context:** Creative industries are a potential source of real development gains for developing countries, including employment generation for women and youth, particularly in rural communities; the enhancement of human capital for higher skill occupations; and the creation of new export opportunities for products based on indigenous knowledge, design and local culture, as well as services. But such gains require carefully formulated policy strategies that recognize the complexities of the interaction between economic, cultural, technological, industrial and social dimensions of the development process and that are implemented on a multidisciplinary basis given the multidisciplinary facet of creative industries. Certainly, all countries are different and there is no uniform package of creative economy policy measures to fit all circumstances.

127. UNCTAD's work on the creative economy and industries has demonstrated that building a supportive environment for creative industries requires a holistic approach to development policy and planning centred on providing support, incentives and tools to local actors. Policies for the creative economy must respond not only to economic needs but also to special needs of local communities related to education, cultural identity, social

inclusiveness and the protection of local natural and environmental resource endowments, as well as integrating these into local, regional and international markets. Through a better understanding of the dynamics of the creative economy at the local level and the needs of local actors, national and municipal policymakers can design more effective policy, regulatory and institutional frameworks to support creative industries and enhance their development impact. It is also critical to strengthen the linkages between creative industries and international markets especially by improving access of SMEs and individuals engaged in creative industries to trade, investment and technology to expand opportunities for production, employment and poverty reduction.

128. **Objectives and features of activities:** UNCTAD provides demand-driven policy advice to governments; undertakes policy-oriented research to identify issues and policy options to assist governments in policy formulation to nurture their creative economies; promotes synergy inside the United Nations system aiming at complementarities and policy coherence on creative economies; implements technical cooperation projects to assist developing countries in enhancing their creative capacities for trade and development gains; and expands its creative economy network which serves as a catalyst that facilitates collaborations, best practices and knowledge-sharing among stakeholders, including governments, academia, creative business and the civil society.

129. **Output and results:** In 2014, UNCTAD worked with United Nations partners to help the Government of Cabo Verde benefit from its tourism sector and creative economy. A report, *Cabo Verde's Creative Economy: Leveraging Culture and Creativity for Sustainable Development* (UNCTAD/WEB/DITC/TED/2014/1), was published in April 2014.

130. UNCTAD participated in the *Yaratici Endustriler Konseyi Derneği* Creative Istanbul Ateliers, an intellectual platform that brings together different sectors in the ecosystem of creative industries in Turkey. Supported by the Istanbul Development Agency, the event was held from 16 to 17 April 2014.

131. On the occasion of UNCTAD's fiftieth anniversary, a memorandum of understanding (MOU) was signed on 17 June 2014 between UNCTAD and the Istanbul Commerce University to support the creative and cultural industries through policy-oriented research, workshops to raise the profile and exchange of experiences in the sector and, to facilitate the development of the creative industries network in Istanbul. This cooperation is an important step towards increasing the awareness on the creative sector's potential benefits for the economy and society.

132. UNCTAD presented its work on creative economy and trade perspectives of creative goods and services at the fourth Global Economic Summit held from 11 to 13 September 2014 in Mumbai, India. UNCTAD participated in the session on "Relevance of technology, innovation and knowledge-based industry" in relation to creative industries, and attended the XV General Assembly of the World Trade Point Federation, which was held within the framework of the Global Economic Summit.

133. UNCTAD participated for the second consecutive year in the International Creative Cities Design Innovation Forum and the first International Creative City Advisory Board Meeting, from 9 to 11 October 2014 in Shanghai, China.

134. UNCTAD prepared a draft MOU with the Shanghai Creative City of Design Centre, which works under the Shanghai Municipal Government, for the development of joint research and activities related to creative industries in China and Asia.

135. The UNCTAD online database summarizing the global trade of creative goods and services was updated with data available from 2003 to 2012, and is expected to continue in

2015. The database is set up as an essential tool to demonstrate the potential of the creative economy to foster socioeconomic development.

136. UNCTAD presented a first draft of the study on "Creative industries and creative economy in Istanbul, Turkey", which will be finalized with its partners from the Istanbul Creative Economy Centre.

137. UNCTAD participated in various meetings and events where it highlighted the potential contribution of the creative industries in eradicating poverty and the role of culture and creative industries in the post-2015 development agenda, as well as related technical, financial and development needs:

(a) Meetings with the Beijing Trade Commission and the World Trade Point Federation, under the theme of "Trade points and creative industries", 28–29 May, 2014, Beijing;

(b) The third China Beijing International Fair for Trade in Services at the event on geographical indication and denomination of origin (International Symposium on Geographical Indications (Country of Origin) – Product Brand Distribution Service), 30 May, 2014, Beijing;

(c) An UNCTAD fiftieth anniversary event held in Istanbul, aimed at boosting Turkey's media, design, music and arts industries. The signature of the protocol of cooperation between UNCTAD and Istanbul Commerce University and the launching of the the Istanbul Creative Industries Network, 28 November, 2014, Istanbul;

(d) The "Annual Meeting of China International Economic Cooperation and Exchange & 2015 New Year Party for Diplomatic Envoys of Foreign Embassies", 6 December 2014, Beijing.

IV. Cluster IV: Competition policy and consumer protection

Lead entity: Division on International Trade in Goods and Services, and Commodities

138. **Development context**: UNCTAD is the focal point on all work related to competition policy and consumer protection within the United Nations system. The mandate, which dates from the adoption of the United Nations Set of Principles on Competition (United Nations Set) in 1980, sets a top priority "to ensure that restrictive business practices do not impede or negate the realization of benefits that should arise from liberalization of tariff and non-tariff barriers affecting international trade, particularly those affecting the trade and development of developing countries" (TD/RBP/CONF/10/Rev.2). The United Nations Set also recognizes that the basic norms of competition law, which have long been in use in developed countries, should extend to the operations of enterprises, including transnational corporations, in developing countries. The programmes under this cluster are listed in table 4.

Table 4
Competition policy and consumer protection

Project number	*Short title*	*Period covered*	*Source of fund*
ALB/0T/BCT	"Delivering as one", Albania project	2012–	One United Nations

Project number	*Short title*	*Period covered*	*Source of fund*
CVI/0T/9AL	"Delivering as one", Cabo Verde project	2009–	One United Nations
ZIM/0T/DAS	Strengthening technical capacities for policy formulation and review of competition law	2014-	European Commission
INT/8X/603	Training programme on restrictive business practices (competition policies)	1986–	France, Norway, Sweden
RAF/0T/BAH	Implementation of the competition framework in the West African Economic and Monetary Union region and to support the work of the Commission	2012–	West African Economic and Monetary Union
RAS/0T/DBM	Strengthening technical competency for consumer protection in ASEAN	2014-	ASEAN
RLA/0T/3BF	Strengthening institutional and capacity-building in the area of competition and consumer law and policy in Latin American countries	2003–	Spain, Switzerland

139. The objectives section of the United Nations Set emphasizes that the interests of developing countries in particular should be taken into account in the elimination of anticompetitive practices that may cause prejudice to international trade and development. It also considers the United Nations Set to be an international contribution to a wider process of encouraging the adoption and strengthening of laws and policies in this area at the national and regional levels.

140. Despite a general widespread trend towards the adoption, reformulation or better implementation of competition laws and policies in developing countries and in countries with economies in transition, many of them still lack up-to-date competition legislation or adequate institutions for their effective enforcement and rely to a large extent on UNCTAD capacity-building for this work. In this connection, the United Nations Set calls on UNCTAD to provide technical assistance, advisory services and training programmes, particularly for developing and least developed countries. Further, UNCTAD was given a mandate at the thirteenth Ministerial Conference of UNCTAD (UNCTAD XIII) to "help developing countries and countries with economies in transition to formulate and implement competition and consumer protection policies, promote the sharing of best practices, and carry out peer reviews with regard to the implementation of such policies" (Doha Mandate, paragraph 56(m)). The validity of the United Nations Set was reaffirmed in 2010 by the sixth United Nations Conference to Review All Aspects of the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices (8–10 November 2010, Geneva).

141. To meet the increasing demands from beneficiary member States, UNCTAD, in cooperation with Sweden, Switzerland and regional organizations such as the ASEAN secretariat, is implementing the global strategy called "GLOBAL COMPAL" which was launched by the UNCTAD Secretary-General in May 2014. This global strategy launched a regional project on consumer protection for the ASEAN region in November 2014 as well as the COMPAL MENA in December 2014 with the support of Sweden. These regional programmes have taken a similar approach to the successful regional programme implemented for Latin America (Competition and Consumer Protection for Latin America – COMPAL) since 2003.

142. **Objectives:** The programmes under this cluster aim to assist developing countries, including LDCs and countries with economies in transition, in formulating and reviewing competition policies and legislation, and implementing competition laws by building national institutional capacity; promoting the creation of a competition culture among government officials, business people, consumers and academics; supporting regional cooperation on competition law and policy implementation; and helping countries and regional groups better evaluate the implications of regional cooperation on competition issues.

143. The fifth review conference on the United Nations Set (13–18 November 2005, Antalya, Turkey) gave a new impetus to UNCTAD support for developing countries by means of voluntary peer reviews of the competition policy of some countries. Peer review recommendations are translated into capacity-building projects to enhance the competition regime of the beneficiary country. The most recent example of this cycle is the UNCTAD project for strengthening technical capacities for policy formulation and review of competition law in Zimbabwe. The project is funded by the European Union and aims to implement the recommendations of the peer review carried out for Zimbabwe in 2012.

144. Since 2007, member States, taking note of "recommendation 19 of the Report of the Panel of Eminent Persons concerning the 'need of consolidation of technical cooperation projects … request[ed] the secretariat to initiate … in consultation with member States the process of the establishment of 'thematic trust funds within and among Divisions".[3] With a view to streamlining the technical assistance activities of UNCTAD and increasing its impact, in 2007 country coverage of the COMPAL programme for Latin America was increased from 5 to 15 countries to now include Argentina, the Plurinational State of Bolivia, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Paraguay, Peru and Uruguay. UNCTAD's technical assistance in this area as well is done in collaboration with development partners and other member States.

145. Assistance is provided in accordance with requests received, needs of countries concerned and resources available. The main types of technical cooperation activities can be described as follows:

(a) Carrying out studies on potential anti-competitive practices and their possible adverse effects on the economy in certain sectors, which are usually identified by beneficiary countries;

(b) Delivering introductory workshops and seminars on the role and benefits of competition in promoting economic development targeting a wide audience, including government officials, sector regulators and academia, as well as the business community, associations and consumer organizations;

(c) Facilitating the drafting of competition and consumer protection laws, regulations and implementation guidelines for countries or regional organizations in the process of setting up their competition regimes by providing expertise and advice;

(d) Assisting countries or regional organizations that wish to revise their competition legislation and seek expert advice from UNCTAD and competition authorities in other member States, so as to amend their laws in accordance with best international practices and in the most effective way;

[3] UNCTAD, 2006, Report of the Panel of Eminent Persons. Enhancing the development role and impact of UNCTAD, page 44, available at http://unctad.org/en/PublicationsLibrary/osg20061_en.pdf (accessed 28 August 2015).

(e) Assisting countries in formulating appropriate sector regulations and competition policies;

(f) Providing advisory services for setting up or strengthening competition authorities, which usually includes the preparation of an institutional framework;

(g) Introductory training of officials responsible for the implementation of competition and consumer protection legislation, particularly case handlers, which may involve training workshops in beneficiary countries or on-the-job training at competition authorities or study visits to competition authorities that have more experience in competition law enforcement;

(h) Seminars at the introductory or advanced level on competition law for the judiciary, which is responsible for reviewing the decisions of competition authorities;

(i) Seminars and workshops at the advanced level for officials in countries which have already adopted competition legislation, have experience in the control of anti-competitive practices, and wish to better enforce competition legislation or consult each other on specific cases and exchange information;

(j) Conducting voluntary peer reviews of the competition law and policy of interested countries;

(k) Assisting developing countries, LDCs and countries with economies in transition in better evaluating the implications of regional and bilateral cooperation on competition issues;

(l) Assisting beneficiary countries and regional organizations in identifying the role of competition policy in the promotion of competitiveness and economic development.

146. **Output:** In 2014 UNCTAD continued its demand-driven efforts to assist in the creation of a competition culture with the following outputs at national and regional levels, including through cooperative agreements.

A. Outputs at the national level

147. UNCTAD provided technical assistance related to the preparation, adoption, revision or implementation of national competition and consumer protection policies and legislation, as well as in areas contributing to a better understanding of the issues involved, and building national institutional capacity to enforce effective competition legislation. Furthermore, UNCTAD helped governments identify the role of competition policy in development, its implications at the national, regional and international levels, as well as strategies for international cooperation in this field. The main areas of intervention included advisory services, preparation and review of national competition and consumer protection laws, competition advocacy, enhancing regional cooperation, training of competition officials and judges, institution-building, consumer protection and voluntary peer reviews of national competition laws and policies.

1. Advisory services

148. UNCTAD's advisory services are provided by desk review of competition and consumer protection laws and policies. Training activities are delivered by seminars or workshops directed at a specific audience, such as competition and consumer protection officials and other stakeholders, including government ministries, academia, business and consumer representatives. These activities help raise awareness about the role of competition and promote a competition culture.

2. Preparation and review of national competition and consumer protection laws

149. In continued efforts to help countries draft or review their competition legislation, in 2014 UNCTAD assisted the Governments of Bhutan, Brunei Darussalam and Guatemala in drafting their competition laws; and Paraguay in drafting both competition and consumer protection laws; and assisted Algeria, Seychelles and Zimbabwe in reviewing and revising their competition and consumer protection laws and competition policy, respectively.

3. Competition advocacy

150. UNCTAD technical assistance activities include competition advocacy seminars and workshops, both at the national and regional levels, targeted at various stakeholders, including relevant government institutions, judiciary, academics, and business and consumer organizations. In June 2014, UNCTAD in cooperation with the German development agency, GIZ, organized an advocacy workshop in Addis Ababa for the newly established Ethiopian competition agency, namely, the Trade Competition and Consumer Protection Authority. The workshop aimed to highlight the importance of competition policy and law for an open economy and presented the Trade Competition and Consumer Protection Authority to a wider audience to reinforce the public visibility and credibility of the Authority.

4. Enhancing regional cooperation

151. In recent years, UNCTAD has been advocating for regional cooperation in competition law and policy implementation. In 2014, the third Euro-Mediterranean Competition Forum Workshop was organized at the margins of the fourteenth Intergovernmental Group of Experts on Competition Law and Policy in July 2014, and discussed the importance of independence and accountability of competition authorities. UNCTAD also continues to organize the Sofia Competition Forum in cooperation with the Government of Bulgaria. It is a regional initiative that strives to foster cooperation and the development of regional ties in the Balkan region towards ensuring a uniform application of competition rules. The initiative aims to assist countries in the region in adopting and enforcing competition law and to maximize the benefits for these countries of well-functioning markets. The creation and improvement of competition legislation, capacity-building, application of best practices in law enforcement and finding common solutions to specific competition concerns in the region are key objectives of the forum. The fifth session of the forum was held in Sofia in November 2014.

5. Institution-building

152. UNCTAD's support to countries that adopted national legislation, as well as to newly established competition agencies, includes activities for institution-building. In 2014, UNCTAD assisted Seychelles in the review of its Institutional Act.

6. Consumer protection

153. In respect of consumer protection matters, capacity-building and training activities were implemented at the international and country level, and special attention was given to the United Nations Guidelines for Consumer Protection (UNGCP).

154. In 2013, UNCTAD organized the second Ad Hoc Expert Group Meeting of Consumer Protection (12–13 July). Experts in the meeting discussed the UNCTAD report "Implementation report on the United Nations Guidelines on Consumer Protection (1985–2013)" (TD/B/C.I/CLP/23), which found that the UNGCP contained a valuable set of principles that had been widely implemented by member States but did not adequately address emerging issues on consumer protection. Experts called for an urgent update on the

UNGCP, as their last revisions dated to 1999. The UNCTAD secretariat accepted the proposal to undertake open consultations on the revision of the UNGCP, through the work of four working groups on: e-commerce, financial services, other issues, and implementation of the UNGCP. The chairs of these four working groups was as follows: France (e-commerce); Malaysia (financial services), Brazil and Germany (other issues) and Gabon (implementation). UNCTAD delivered a briefing for the diplomatic missions in Geneva on the UNGCP as part of the preparatory process for the seventh United Nations Review Conference to be held in 2015. The briefing, held on 29 October 2013, was attended by regional coordinators and representatives of more than 30 permanent missions in Geneva and was an opportunity to discuss the ongoing consultations concerning the UNGCP.

155. In 2014, UNCTAD continued the work of the four working groups. On 9 July 2014, UNCTAD hosted a side meeting on the margins of the International Group of Experts on Competition Law and Policy attended by more than 50 experts and delegates. The meeting was chaired by Ms Nathalie Homobono, Director General for Competition Policy, Consumer Affairs and Fraud Control of France, who presented the initiative of revising the UNGCP. Ms Teresa Moreira, Consumer Director General of Portugal, introduced the four working groups. The result of the consultations of the four working groups would be presented in a report, whose first draft was circulated for comments in August 2014.

156. The resulting "Draft report on the modalities for the revision of the United Nations Guidelines for Consumer Protection",[4] summarizing more than 150 contributions from member States and relevant stakeholders, was released in November 2014. The consultations showed strong support among member States to revise the UNGCP in various areas, and interest was raised in the creation of an international mechanism to discuss consumer protection issues and share best practices at the international level. Some experts called for that international mechanism to be created within UNCTAD and that the organization should be given the responsibility of periodically revising the UNGCP. The conclusions of the report were used by the UNCTAD secretariat to create a draft resolution on the revision of the UNGCP. The report and the draft resolution were discussed by experts and delegates during the third Ad Hoc Expert Group Meeting on Consumer Protection (22–23 January 2015). The final outcome of these consultations will be submitted to the seventh United Nations Review Conference for consideration, before being sent to the General Assembly for possible adoption.

7. Peer reviews and follow-up

157. With a view to ensuring coherence between overall governmental approaches to the privatization and liberalization of trade and investment regimes, UNCTAD initiated the organization of voluntary peer reviews on competition law and policy, which have become a core activity in its work on competition policy. Peer reviews and their associated report sessions provide an ideal opportunity to discuss market-based policy approaches and promote development, with a view to ensuring that markets work for the poor.

158. During the fourteenth International Group of Experts on Competition Law and Policy (8–11 July 2014), UNCTAD held peer review report sessions for Namibia, the Philippines and Seychelles, which included the presentation of projects to implement the peer review recommendations under consideration.

[4] Available at http://unctad.org/Sections/ditc_ccpb/docs/UNGCP_DraftReport2015_en.pdf (accessed 28 August 2015).

159. UNCTAD organized a dissemination event on 16 July 2014 at the fourth ASEAN Competition Conference in Manila to present the results of the peer review of the Philippines.

160. UNCTAD technical cooperation and capacity-building activities were increasingly provided within the framework of regional and sub-regional groupings.

B. Outputs at the regional and subregional levels

161. UNCTAD technical cooperation and capacity-building activities were increasingly provided within the framework of regional and subregional groupings.

1. Competition and consumer protection for policies for Latin America

162. Under COMPAL[5] a number of capacity- and institution-building as well as training and information-sharing events were provided to beneficiary countries in 2014.

163. **Colombia:** As part of the activities of the COMPAL programme for Colombia, UNCTAD and the National School of Judges organized the fourth National Workshop for High-Court Judges of Bogota and Cundinamarca on 29 and 30 May 2014. The workshop was based on the UNCTAD background note "Competition policy and public procurement" (TD/B/C.I/CLP/14) (29–30 May 2014).

164. **Costa Rica:** On 28 May 2014, UNCTAD and the Comisión para Promover la Competencia presented the new merger guidelines to be applied in Costa Rica, in accordance with the new competition law adopted in 2012.

165. **Peru**: UNCTAD and the Peruvian Competition Authority organized a national workshop in Cajamarca, Peru, for university professors on competition and consumer protection law enforcement issues (7–10 May 2014). The Competition Authority, through the National School of Competition and Intellectual Property and UNCTAD, also held a training workshop for university professors outside the Peruvian capital as part of the COMPAL programme, following national objectives of the Competition Authority to decentralize knowledge and expertise on competition and consumer protection issues. The activity was fully funded by the Peruvian Government, as the COMPAL programme for Peru was in a transition period between phase II and phase III.

166. The fourth National Workshop for Judges on Competition and Consumer Protection Law Enforcement was held in Lima (2–3 June 2014). This workshop represented the first national event held under the agreement signed between the Supreme Court of Judges of Peru and UNCTAD in December 2013. The workshop focused on a number of issues related to competition and consumer protection policy and laws.

167. **Dominican Republic:** The Secretary-General of UNCTAD as well as the Director of DITC attended the fourth Annual Meeting of the Working Group on Trade and Competition of Latin America and the Caribbean held in Punta Cana (5–6 November 2014). UNCTAD representatives highlighted the need to complement trade and competition policies in Latin America and the Caribbean when delivering the presentation entitled "Trends on trade and competition policies in Latin America and the Caribbean". The Director of DITC stressed how applied tariffs have been reducing at the regional level between Latin American and Caribbean countries. He mentioned the number of anti-dumping cases that many Latin American and Caribbean countries have brought to each other and before the WTO Dispute Settlement Understanding mechanism.

[5] See http://www.unctadxi.org/templates/Startpage____1529.aspx (accessed 28 August 2015).

168. UNCTAD and Pro Consumidor, the consumer protection agency of the Dominican Republic, hosted the third session of the International Consumer Protection Forum in Santo Domingo. This session was devoted to the UNGCP as well as consumer educational programmes for providers, inter-agency cooperation in tourism, and data protection in e-commerce. The Forum was attended by 20 governmental consumer protection authorities and over 50 participants from civil society and the private sector.

2. Competition and consumer policies in the ASEAN countries: Establishing the COMPAL ASEAN regional programme

169. **Indonesia:** On 7 April 2014, UNCTAD's Competition and Consumer Policies Branch and Intellectual Property Unit, and Indonesia's Directorate General for Intellectual Property Rights organized the "Workshop on the interface between intellectual property rights and competition laws" in Jakarta, with the participation of Japan's Fair Trade Commission. The workshop targeted the work of officials of the Indonesian Competition Commission (KPPU) and those of the Intellectual Property Office when dealing with intellectual property business practices that have an impact on competition.[6] This workshop has contributed to the launch of a long-term cooperation between KPPU and the Intellectual Property Office, starting with the negotiations to sign a framework cooperation agreement and detailed annual work plans of common activities between the agencies.

170. **The Philippines:** UNCTAD presented the main findings and recommendations of the voluntary peer review of the country (*Voluntary Peer Review of Competition Law and Policy: The Philippines*, UNCTAD/DITC/CLP/2014/1) at the fourth ASEAN Competition Conference held in Manila on 16 July 2014. The main recommendations of the peer review were: (a) to adopt a draft competition bill being discussed at the Senate; (b) to reinforce the institutional framework by setting up an autonomous agency and provide adequate resources; (c) to enhance advocacy efforts including to sector regulators, public procurement agencies and the Department of Trade and Industry; and (d) to provide capacity-building for the judiciary and public prosecution.

171. **The Lao People's Democratic Republic, Thailand and Viet Nam:** UNCTAD launched a consumer protection project for ASEAN countries by carrying out an initial set of field visits to the Lao People's Democratic Republic, Thailand and Viet Nam between 22 November and 6 December 2014. The project with the ASEAN secretariat was entitled "Enhancing AMS with effective capacities to adopt and implement consumer protection laws at the national level". The project addresses the need for improved technical competencies and institutional capacity within consumer protection agencies of the ASEAN secretariat and builds a critical mass of consumer protection trainers who are able to contribute to raising the level of compliance with consumer protection laws and regulations. The project also builds and strengthens the capacities of government agency personnel through the design, development and delivery of training programmes, including modular components or materials, focusing on the technical requirements provisionally involving six core areas: product safety and labelling; phone and internet services, and e-commerce; consumer credit and banking; environment; healthcare services; and professional services – as identified in the ASEAN project "Road-mapping capacity-building needs in consumer protection in ASEAN".

3. Competition Programme for Africa

172. Within the Competition Programme for Africa, country-specific capacity-building activities on competition policy and law were undertaken in Africa. In 2014, UNCTAD

[6] See http://unctad.org/en/pages/MeetingDetails.aspx?meetingid=550 (accessed 28 August 2015).

organized a two-week training course (30 June–11 July 2014) in Geneva for case handlers of the West African Economic and Monetary Union (WAEMU) and the representatives of their member States, in cooperation with the Zurich School of Management and Law. This activity was delivered back to back with the fourteenth session of the International Group of Experts on Competition Law and Policy. In addition, an UNCTAD delegate participated in the Consultative Committee meeting in June 2014 to discuss the advances in the reform of the decentralization process of the application of the common law of competition policy. In December 2014, UNCTAD organized a training course with the Competition Authority of Côte d'Ivoire in Abidjan. This was a seven-day professional course for the certification of competition officials in the country.

173. UNCTAD conducted the tripartite peer review of competition law and policy in the United Republic of Tanzania, Zambia and Zimbabwe in 2012 (*Voluntary Peer Review of Competition Law and Policy: A Tripartite Report on the United Republic of Tanzania–Zambia–Zimbabwe*, UNCTAD/DITC/CLP/2012/1). The peer review report for Zimbabwe included some recommendations to reform and strengthen the competition regime and reinforce the competition culture in Zimbabwe. In this regard, under a European Union-funded trade and private sector development programme aimed at supporting economic recovery and diversification, and poverty reduction in Zimbabwe, UNCTAD started to implement competition law and policy-related activities in 2014 in order to implement the peer review recommendations. First, UNCTAD developed a competition assessment toolkit for Zimbabwe to examine draft laws and regulations, which might have implications for competition law and policy or for identifying economic issues in Zimbabwe. Second, UNCTAD developed a competition policy framework for Zimbabwe in 2014.

174. **Algeria**: Two missions: (a) January 2014: Assistance with the undertaking of an auditing of the regulatory framework of Algeria in relation to competition policies; and (b) May 2014: Implementation of a pre-auditing session of competition law with an expert group aiming to analyse the weaknesses of the Algerian competition legislation and subsequently to propose modifications of the law in order to obtain more independency of the Competition Authority and more competencies for the enforcement of such law.

C. Cooperation with other organizations

175. UNCTAD has developed an extensive network of cooperating partners in cooperation with which many of its capacity-building activities are implemented. Through the International Group of Experts on Competition Law and Policy and its technical assistance projects over the years, UNCTAD has established very good working relations with national competition authorities and competition experts worldwide. This has been strengthened further through its national-level capacity-building activities and voluntary peer reviews. As UNCTAD technical cooperation and capacity-building activities are provided at the national, sub-regional and regional levels, its relations with regional groupings of developing countries have been strengthened accordingly.

176. In 2014, UNCTAD cooperated with GIZ Ethiopia, which provided conference facilities, in delivering the advocacy workshop in Addis Ababa. UNCTAD also benefited from the United Kingdom of Great Britain and Northern Ireland Department for International Development through the latter's Investment Facility for Utilizing United Kingdom Specialist Expertise programme. Through this programme, the United Kingdom Competition and Markets Authority sent one of its competition officials to make presentation on the United Kingdom's competition law enforcement to the Ethiopian government officials. In the same workshop, UNCTAD also cooperated with the Competition Authority of Kenya, which sent two officials to deliver presentations at the event.

177. Furthermore, in September 2014, UNCTAD, GIZ, the ASEAN secretariat and KPPU organized a workshop on the "Appropriate design and enforcement of competition law and policy". The main objective of this workshop was to assist ASEAN countries to adopt or amend their national competition laws, in line with their commitments towards the ASEAN Economic Community by 2015. During the two-day workshop, UNCTAD presented the Model Law and its commentaries as well as recommended practices of the International Group of Experts on Competition Law and Policy to experts from the 10 ASEAN member countries responsible for competition law and policy. The discussions focused on substantive content of the drafting and/or the amending of national competition laws, design of institutional enforcement frameworks, as well as agency effectiveness and cooperation among the ASEAN competition officials.

178. In 2014, two important trust fund agreements on competition and consumer policies and laws were finalized between UNCTAD and the following partners: first, with the support of Sweden, the programme entitled "Regional economic integration through the adoption of competition and consumer policies in the Middle East and North Africa (MENA) – COMPAL MENA"; second, the first pilot regional project with the ASEAN secretariat entitled "Enhancing AMS with effective capacities to adopt and implement consumer protection laws at the national level". The latter will be the basis for the launch of the COMPAL ASEAN programme for that region in 2015. In addition, advanced negotiations for the renewal of COMPAL in Latin America are underway with the Swiss Government. It is expected that the signing of the COMPAL III will be taking place in early 2015.[7]

D. Impact

179. In the evaluation report of the UNCTAD Development Account project "Strengthening capacities in developing countries for the effective enforcement of competition law to minimize constraints to economic productivity", it was stated that UNCTAD's "Peer review process of competition laws and policies has been hailed for its competence and delivering practical recommendations with clear roadmaps for the countries" (*External Evaluation of UNCTAD Peer Reviews on Competition Policy*, UNCTAD/DITC/CLP/2014/5). The same evaluation finds that the peer review processes in some countries, which have proved to become the "leaders" in their respective regions, had impacted the desire of the neighbouring countries to catch up, with some of the experience-sharing happening in the course of the projects. With the tripartite peer review of competition law and policy in the United Republic of Tanzania, Zambia and Zimbabwe, the UNCTAD peer review process has proved to have the potential to contribute to regional cooperation in competition matters. The evaluation report concludes that UNCTAD's peer review process has proven to be a dynamic exercise able to generate multiplicative and spillover effects.

180. Following UNCTAD's Voluntary Peer Review of Competition Law and Policy for Zimbabwe of 2012, and thanks to the European Union-funded Trade and Private Sector Development Project aiming at supporting economic recovery and diversification, and poverty reduction in the country, UNCTAD started to implement competition law and policy-related activities in 2014 to implement the peer review recommendations. In this framework, UNCTAD recently delivered three training courses on competition law and policy.

[7] The signing of the COMPAL III took place on 27 February 2015, for a period of three years.

181. Moreover, following the peer review of competition and consumer protection laws and policies of Seychelles in 2014, the latter started reviewing its respective laws in consultation with UNCTAD. Seychelles and UNCTAD set up a task force to draft two bills, one on competition and one on consumer protection.

V. Cluster V: Commodity sector development and poverty reduction

Lead entity: Special Unit on Commodities

182. The programmes under this cluster (table 5) aim to improve the capacity of commodity-dependent developing countries, LDCs and countries with economies in transition to harness development gains from their commodity production and exports and enhance international cooperation with a view to addressing trade and development problems associated with the commodity economy, including the food crisis and poverty reduction (Accra Accord, paragraphs 91–93, 98 and 183).

Table 5
Commodity sector development and poverty reduction

Project number	*Short title*	*Period covered*	*Source of fund*
INT/9X/42Z	Collection and dissemination of iron ore statistics	1994–	Multi-donor
INT/0T/9AX	Global Commodity Forum	2009–	Multi-donor

A. "Market information in the commodities area" project – INFOCOMM

183. **Development context:** Commodity-dependent developing countries continue to face difficulties in getting broad-based, well-organized and verified information. The imperfect nature of the information, and the disequilibrium in its distribution lead to what is termed "asymmetric information" on price, quality, quantity, credit and many other relevant variables. Long-established commodity-related sources of information are relatively dispersed, not provided for free and they are not always well structured. Above all, there is a massive flow of electronic news and information, usually diverse and often inaccurate. It is thus costly and time-consuming, and it is difficult to identify the relevant set of unbiased, specialized information in a specific commodity sector.

184. As a result, policymakers do not always have the proper analytical tools to assess the rapid changes in commodity market structures, to adjust their policies accordingly or to be able to improve their competitiveness. Similarly, emerging commodity operators and smallholders are looking for intelligence sources and friendly and operational systems so that they can increase efficiency, expand markets, respond to business opportunities, and capture more of their commodities' value. Reducing the digital divide and increasing access to and use of structured information on commodities are prerequisites for establishing effective production and trading strategies. There is a need for the development of international knowledge management tools, including market information in the commodities area – leading to the INFOCOMM project.

185. **Objectives and features**:

(a) To promote market information and transparency, reduce the asymmetry in accessing strategic commodity-related information, improve the understanding of commodity structures and provide access to the analysis that is vital to the formulation of pertinent policies for commodity production, marketing, processing and financing;

(b) To design information and communications technology (ICT) tools in this field that will improve developing countries' access to key information and data at the national and international levels;

(c) To manage, organize and develop, in a practical and innovative manner, knowledge management and sharing instruments for assisting the decision-making process in both the public and private sectors.

186. **Outputs:** The INFOCOMM programme is designed to review, adapt and disseminate information – useful for the different strategic, informational, organizational and economic aspects of the commodity sectors – on a series of products in an innovative way.

187. **Results**: In 2014, the INFOCOMM web pages for 29 commodities were maintained, including texts, pictures, formatted tables, reference materials, monthly market reports and external links. The general profiles are now available in English, French and Spanish for the following commodities: citrus fruit, cocoa, coffee, jute, olive, palladium, platinum, rice, tea, tropical timber and zinc; in English and French for banana, copper, cotton, palm oil, pineapple, maize and rubber; in French for aluminium, cashew nuts, coal, pepper, iron/steel, karate, mango, sugar, other timber, tobacco, and wheat.

B. Global Commodities Forum

188. **Development context:** The commodities sector remains an essential source of employment, income and government revenues for many developing countries. Through the Global Commodities Forum, UNCTAD and its partners have played a key role in providing a neutral platform which brings together major stakeholder groups, including ministers and other high-level policymakers, regulators, business leaders, experts, academics and representatives of NGOs. Together they debate solutions to the perennial and new problems associated with the production and trade of commodities.

189. **Outputs:** In line with the provisions established in the Accra Accord,[8] UNCTAD launched in March 2010 the inaugural Global Commodities Forum. The forum provides UNCTAD with a unique opportunity "to build consensus on policies that allow developing countries to maximize the opportunities and address challenges of globalization and economic integration, and that promote an enabling environment for sustained economic growth and sustainable development".

190. **Results:** The fifth Global Commodities Forum took place in Geneva on 7 and 8 April 2014. It was organized by UNCTAD and co-sponsored by Afrexim Bank, China and the Common Fund for Commodities. The forum was attended by around 300 participants, including government ministers and other policymakers, commodity producers, traders, financiers, consultants, academics and other experts. The theme was "Global value chains, transparency and commodity-based development".

191. Key outcomes from the 2014 Global Commodities Forum included (a) the formation of a Working Group on Commodities Governance, under UNCTAD's coordination, to

[8] Accra Accord, paragraph 93 (b).

develop policy options to improve transparency and accountability in the commodities value chain; (b) a call from forum participants for the Extractive Industries Transparency Initiative to extend its coverage to include trading companies; (c) the identification of a few specific topics for further study.

C. Trust Fund on Iron Ore Information

192. **Development context:** The governments of several iron ore exporting countries established the Trust Fund on Iron Ore Information to be administered by UNCTAD and operational from 1 June 1989. The reporting costs of the fund are offset by donor contributions from several governments and from sales of publications.

193. **Outputs:** The *Iron Ore Market Report* is an annual publication issued every June. It contains updated information on iron ore production, trade and prices, the short-term outlook and a market analysis. *Iron Ore Statistics*, a statistical report published annually around October and November, contains tables with worldwide and country-specific data for iron ore production, exports, imports and prices, as well as pellet production, exports and production capacity and other data relevant to the world iron ore market. *Statistical Update* (in electronic form only) appears in December.

194. **Results:** The publications of the Trust Fund on Iron Ore Information are highly valued by the industry and other stakeholders – the demand for them from iron ore producers, shipping agents, steel companies and consultants has progressed since the establishment of the fund. The publications provide up-to-date, accurate and comprehensive information on developments in the world iron ore market, including statistical data and analyses. The overviews of and outlooks for the world iron ore market situation based on the *Iron Ore Market Report*, as well as Trust Fund activities, are promoted at major international conferences on iron ore and raw materials for steelmaking.

195. As UNCTAD conducted in 2014 a comprehensive evaluation of the operational modalities of the Trust Fund on Iron Ore Information, as well as arrangements to improve its effectiveness and financial viability, there were no publications made by the Trust Fund that year. As a result of the evaluation, new terms of reference stipulate the establishment of an electronic version of *Iron Ore Statistics* that is to include historical data previously published by UNCTAD as well as the most up-to-date data. In 2015, the Trust Fund plans to resume its regular publications.

D. Africa Oil, Gas and Minerals Trade and Finance Conference and Exhibition (OILGASMINE)

196. **Development context**: African countries contribute to a sizeable share of the global reserves and production of some minerals, with many African economies highly dependent on their extraction. Africa leads production of numerous mineral commodities, such as platinum, phosphate, gold, chromium, manganese, vanadium, cobalt, copper and diamonds. However, the continent's participation in the global minerals industry is limited to providing raw materials. Today, most of Africa's minerals are still exported as ores, concentrates and metals, without significant value addition.

197. The commodity boom experienced over the past decade contributed to the rapid economic growth of mineral-rich African countries; however, development challenges remain. The natural resources sector in several African developing countries has shown limited positive impacts on job creation, on creating linkages with the broader economy and on addressing problems of environmnetal degradation. There is a general consensus that revenues from the natural resources sector should be managed in a transparent and

accountable manner in order to benefit the current and future generations. There is also an agreement that to achieve inclusive growth and development in the African countries, the revenue accruing from natural resources should be used to enhance the diversification of economies, increase value addition and promote integration into, and climbing up global value chains. These revenues should also be used to mitigate adverse social and environmental effects on communities arising from mining activities.

198. This highlights the need for a development strategy more closely oriented to societal concerns and rooted in broadening the economic base. The other important issues range from cross-border matters, particularly for landlocked low-income countries, to security and safety in extractive industries and sustainable management of resources.

199. Since 1996, UNCTAD has organized the annual OILGASMINE in different locations in Africa with a view to helping find solutions to the above-mentioned challenges. UNCTAD organized an OILGASMINE special event during the World Investment Forum (WIF) on 15 and 16 October 2014 in Geneva. The OILGASMINE special event complemented the annual OILGASMINE, which will return to the continent in 2015.

200. **Objectives:** Under the theme "Achieving sustainable development goals through investment in oil and gas field services", this special event focused on the following topics for discussion in two sessions: investment opportunities in Africa's oil and gas field services, and a policy dialogue on maximizing benefits of investments in oil and gas field services. The first session discussed the investment environment in Africa's oil and gas industries and highlighted opportunities in providing field services across the value chain. The second session examined policy options in promoting indigenous service providers in Africa's oil and gas sector and how to retain the value of services associated with natural resources in host countries.

201. **Outputs**: The event was attended by about 80 delegates including policymakers, industry practitioners and civil society. The objective of the meeting was to raise awareness of investment and partnership opportunities in Africa's oil and gas services sector and identify policy options to boost local participation in the variety of services needed at different stages of the oil and gas value chain. A proposal made at the meeting to establish an "African gas hub" is currently being explored for implementation by the Trade Commissioner of the African Union Commission.

VI. Cluster VI: Foreign direct investment trends and issues

Lead entity: Division on Investment and Enterprise

202. The programmes under this cluster (table 6) are aimed at increasing understanding of various key issues and policies relating to public and private investment, in particular the impact of FDI on development.

Table 6

Foreign direct investment trends and issues

Project number	*Short title*	*Starting date*	*Source of fund*
INT/01/2CW	Development and dissemination of selected data on FDI and the operations of transnational corporations	2003–	Multi-donor
INT/01/3BR	*World Investment Report* series	2003–	Multi-donor

Project number	*Short title*	*Starting date*	*Source of fund*
INT/0T/BAQ	Capacity-building in investment for development	2011–	Norway
RAS/0T/DAE	ASEAN Investment Report	2014–	ASEAN

A. *World Investment Report* series

203. **Development context:** As the focal point for investment within the United Nations system, UNCTAD promotes the understanding of key issues, particularly on FDI-related matters, and assists developing countries in attracting and benefiting from FDI and building their productive capacities and international competitiveness. The *World Investment Report* (*WIR*) series provides up-to-date and comprehensive data on issues pertaining to FDI and transnational corporations (TNCs), analyses trends and developments in FDI, examines the implications of activities by TNCs related to these trends and assesses both international and national policy issues of relevance to developing countries. It serves as a policy decision-making input, an analytical instrument for improving national capacities to attract and benefit from FDI and a capacity-building tool.

204. **Objectives and features:** The *WIR* series is a key instrument in helping policymakers improve their understanding of emerging FDI-related issues and policy implications for development and enhance their ability to formulate FDI policies that will contribute to development objectives. The series serves as an essential tool for the formulation of FDI policies, which feeds into UNCTAD's technical assistance work. The preparation involves the following interrelated activities:

(a) Policy analysis and research: An extensive peer review of the *WIR* outline, drafts and final text is conducted. The preparation of each chapter and section involves dialogue with relevant stakeholders, including with experts (especially those from developing countries), to determine facts and trends on the topics analysed;

(b) Capacity-building workshops and seminars: These enable policymakers, researchers and other experts from developing countries to directly contribute salient experience, knowledge and information for each *WIR*. These activities constitute a key element of the peer review process;

(c) Dissemination of the report's findings and results: Dissemination begins with the organization of over 40 press conferences in national venues on the report's launch date, followed by seminars/workshops for policymakers in developing countries. These workshops allow stakeholders from developing countries to discuss the results of the analyses, including ways and means of using them in concrete policymaking and implementation;

(d) Dedicated networks of experts: In order to maintain the report's consistent quality, dedicated networks of experts are maintained through a range of activities, including seminars and conferences.

205. **Outputs:**

(a) *World Investment Report 2014* (*WIR 2014*): Investing in the SDGs was the focus of this year's report (*World Investment Report 2014. Investing in the SDGs: An Action Plan*, UNCTAD/WIR/2014). It proposed a transformative action plan for investing in the SDGs and its strategic framework and six action packages can serve as a pragmatic tool for mobilizing private sector contributions to the SDGs. A peer review meeting (3 and 4 April 2014) was organized before finalizing *WIR 2014*;

(b) *WIR 2014* was released worldwide on 24 June 2014, and press events were organized in 40 countries in collaboration with United Nations Information Centres, national investment promotion agencies and other United Nations offices and public entities. To facilitate global media coverage, 11 sets of press releases were prepared, some of which were translated into official United Nations languages and other local languages;

(c) An executive summary, *WIR 2014 Overview*, was printed in English and translated in the five other United Nations official languages before the sixty-first session of the TDB. These materials can be freely downloaded from the UNCTAD website;

(d) Databases on FDI, mergers and acquisitions and the largest transnational corporations were maintained and updated. Another important database on global value chains, including data on value added trade, was also maintained and updated. Much of the data in these databases were made available to the public.

206. **Results:** The cumulative number of downloads of a part or all of *WIR 2014* exceeded 75,500 from June through December 2014. The number of media coverage, including a dozen interviews, collected from nearly 100 countries, exceeded 1,700 (as of 30 January 2015). The report was used as the key background document for WIF 2014, where over 3,000 participants from 150 countries were gathered in Geneva.

207. Annual FDI flows continued to be the most visited data set on the UNCTAD Statistics website, and annual FDI stock data became third in 2014. Individual countries' FDI profiles, which are updated every year at the time of the *WIR* launch, have been downloaded over 22,200 times since the release of *WIR 2014*.

B. Technical assistance on regional investment cooperation

208. **Development context:** An important pillar of UNCTAD's activities is to support developments in member countries through analytical work and technical cooperation. In this regard, UNCTAD continued to extend technical assistance to ASEAN in 2014 to prepare the annual *ASEAN Investment Report 2013–2014*.

209. The annual *ASEAN Investment Report* series provides up-to-date analyses and data coverage pertaining to FDI and TNCs' operations in ASEAN. It also serves as a policy decision-making input and an analytical instrument for improving ASEAN's competitiveness to attract FDI. The series aims to promote a better understanding of the relationship between regional integration and FDI, and vice versa.

210. **Objectives and features:** The objective of the series is to present analyses of latest FDI development and the regional investment environment in an integrating ASEAN, including to implement the 2011–2015 ASEAN investment work programme in relation to the ASEAN Economic Community Blueprint and the ASEAN Comprehensive Investment Agreement. The report aims to provide analytical inputs for discussion by the ASEAN Coordinating Committee of key investment issues and related policy. The report is part of the ASEAN's efforts to promote transparency and investment opportunities in the region.

211. In the preparation of the *ASEAN Investment Report*, a series of consultative meetings between staff members of UNCTAD and the ASEAN secretariat were held on 2–6 June 2014 in Jakarta to discuss the outline, key issues, messages, research process and production of the report.

212. **Outputs:** *ASEAN Investment Report 2013–2014: FDI Development and Regional Value Chains* (ASEAN, Jakarta) was published in October 2014. The main findings were presented to the ASEAN Investment Forum on 10 November 2014 in Nay Pyi Taw, Myanmar.

213. **Results:** The report was launched at a media event, participated by all ASEAN countries, held on the occasion of the ASEAN Investment Forum on 10 November 2014. The report was subsequently distributed at various ASEAN official and private sector meetings, including dissemination through the ASEAN secretariat's website. The support of UNCTAD in the analytical research and preparation of the report was acknowledged by ASEAN.

C. Capacity-building in statistics on foreign direct investment

214. **Development context:** Scarcity, unreliability and inconsistency in existing data reporting systems cause severe problems in formulating policies and strategies regarding FDI. There is also a shortage of studies on the role of FDI and its impact on sustainable economic development and its contribution to the transfer of technology, human resource development and export performance. In response to recommendations made by the UNCTAD expert meeting under the theme "Capacity-building in the area of FDI: Data compilation and policy formulation in developing countries" in December 2005, and endorsed by the tenth session of the Commission on Investment, Technology and Related Financial Issues (Geneva, 6–10 March 2006), UNCTAD continues to provide technical cooperation in FDI statistics. In addition, the Group of 77 and China at the fifty-ninth session of the TDB in 2012 appreciated the new initiative of preparing the FDI contribution index and strongly recommended that UNCTAD collect data on the activities of TNCs for LDCs, and if unavailable, to provide guidance or technical assistance to collect these essential data.

215. **Objectives and features:** The overall objective of the project is to increase FDI inflows to developing countries, particularly LDCs, by formulating FDI policies based on quality FDI data and information of TNCs operating in the region or the country. This project aims at enhancing the capacity of government agencies in these countries to compile, disseminate and analyse data on FDI and the activities of TNCs by implementing internationally recommended methodological standards and enabling national authorities to maintain high-quality and up-to-date databases. It also intends to strengthen networking among national authorities involved in FDI data compilation and reporting and in FDI policy issues and investment promotion activities, so as to facilitate the exchange of experience.

216. **Outputs:** In 2014, one regional workshop – "FDI trends and the methodology in collecting data on FDI and TNC activities in the six Gulf Cooperation Council (GCC) countries" – was organized in Bahrain on 8–10 December 2014. The overall objective of the workshop was to assist officials in ministries and agencies, central banks, chambers of commerce, and other public and private institutions from six GCC countries – Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates – that deal with statistical and policy issues on FDI to not only better understand and report FDI trends, but also decide the future plan of harmonization of FDI statistics and preparation of an investment report of the GCC region.

217. **Results:** The workshops prepared the ground for the next stage in the area of establishing and improving statistics on FDI and TNCs in the GCC countries, including developing strategies in the area of FDI data compilation and dissemination, and setting up the compilation and data dissemination systems for internationally comparable statistics on FDI and TNCs.

D. Principles of Responsible Agriculture Investment

218. **Development context**. There is an increasing interest in investment in agriculture in developing countries, by both foreign and local investors. After decades of struggling to attract corporate investment, including FDI, into their agricultural sectors, developing countries are now faced with significant challenges in terms of how to accept the type, size and number of such investments in order to maximize development benefits, while minimizing socioeconomic and environmental risks. To ensure net positive outcomes for host countries, actions are required by governments, corporate investors in agriculture, and other stakeholders affected by the investments, especially local communities.

219. **Objectives and features:** UNCTAD, the Food and Agriculture Organization of the United Nations, the International Fund for Agricultural Development and the World Bank (the Inter-agency Working Group) proposed and put into play a set of Principles for Responsible Agricultural Investment in 2010. The Working Group has since implemented a twin-track approach, adopted by their governing bodies, and approved – among others – the development pillar, as the way forward at the Group of 20. This comprises field-testing the Principles for Responsible Agricultural Investment (first track) to establish a solid base of evidence on the impacts of investment, and to use the lessons learned as a basis for refining the principles, informing various consultation processes (second track), including through the Committee on Food Security, and – most importantly – using the evidence to provide technical assistance to host country governments, investors and communities.

220. **Outputs.** Field-testing of the principles commenced in 2013, was concluded during 2014, including detailed interviews with 39 agribusiness investors and around 550 other stakeholders. The final report on the findings was published in April 2014. A follow up report, which translated the findings into policy guidance on the negotiation of contracts between investors and governments, was published in June 2015. The second phase of fieldwork and the preparatory work for the third phase of fieldwork started in 2014. Actual fieldwork commenced in February 2015 and so far visits have been made to Mozambique and the United Republic of Tanzania, with further fieldwork planned in Ghana and Malawi this year. More will follow in 2016. Visits in each country are preceded by a workshop with policymakers, investors, local communities and other stakeholders, co-organised with the FAO, IFAD and the World Bank.

221. **Results.** Technical assistance is, additionally, provided to policymakers, investors and communities during the fieldwork process itself. Findings of the Principles for Responsible Agricultural Investment field-testing were presented at the World Bank Land and Poverty Conference in Washington, D.C. in March 2014. Results of the field-testing formed the basis for a workshop with ASEAN Governments in Bangkok in March 2014. Technical assistance was provided to the Government of the Lao People's Democratic Republic (January 2014) as part of a nation-wide review of land concessions during the present moratorium on such investments. This included advice on how to assess and monitor the quality of existing investments and how to screen future investors once the moratorium is lifted. Results of the field-testing were presented to a meeting of the Pan-African Parliament in Johannesburg (August 2014), to representatives from various developing country agricultural ministries at a workshop in Montreux (December 2014), to a European Union working group in Brussels (November 2014), and to a Committee on Food Security working group in Rome (April 2014).

VII. Cluster VII: Investment policies, treaties and facilitation

Lead entity: Division on Investment and Enterprise

222. The programmes under this cluster (table 7) aim at enhancing the ability of beneficiary countries to create an environment conducive to attracting and benefiting from investment for development, increasing their understanding of key and emerging issues related to international investment agreements (IIAs) and their development dimension, boosting their capacity to negotiate and implement investment treaties and facilitating management of investor–State disputes.

Table 7
Investment policies

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/0BG	Capacity-building on international investment agreements	2000–	Multi-donor
INT/0T/3AO	Support to the UNCTAD/International Chamber of Commerce Investment Advisory Council	2003–	Germany, Norway
INT/0T/3AW	Investment policy reviews in French-speaking countries	2003–	France
INT/0T/8AC	Assistance in formulating investment policies and building human and institutional capacities for sustainable development	2008–	Sweden
ROA-2908 (O8)	Promoting sustainable business models for development: Investing in the poor, for the poor and with the poor	2014–	Development Account

A. Investment Policy Reviews and follow-up programme

223. **Development context:** UNCTAD's Investment Policy Review (IPR) is a technical assistance programme with a dual objective. Based on UNCTAD's Investment Policy Framework for Sustainable Development, it evaluates the policy, regulatory and institutional environment for investment, and FDI in particular, with a view to promote a business environment conducive to sustainable development. Then, in line with the requesting country's overall economic and social development objectives, the IPR proposes concrete and action-driven recommendations aimed at attracting higher levels of beneficial FDI.

224. **Objective and features:** The IPR process promotes ownership and learning. The programme is conducted in five consecutive phases:

(a) Government ownership: The reviews are initiated at the request of governments and the counterpart government ministry or agency is involved throughout the process to foster ownership and coherence;

(b) IPR evaluation and advisory report: The diagnostic phase includes desk research and a fact-finding mission by UNCTAD technical staff. Policymakers at the highest level and a wide range of stakeholders are brought into the process, including line

ministries and agencies, universities and other research institutions. Meetings are also held with representatives of the private sector, non-governmental institutions and the donor community active in the country;

(c) Country ownership and intergovernmental review: Once the draft report is ready, beneficiary countries agree to go through a review process which includes a national stakeholders' workshop to discuss the findings of the draft report and review its recommendations. It is followed by an intergovernmental peer review, which draws upon the experiences of other countries in attracting and benefiting from investment, including benchmarking against international best practices;

(d) Implementation and follow-up technical assistance: The review process is designed with one key purpose – making FDI work for sustainable development. The finalization and publication of the IPR report is the preamble to the core focus of the programme, namely the delivery of technical assistance to help beneficiary countries meet their development objectives by attracting higher levels and diversified types of FDI inflows, whilst maximizing their developmental benefits and limiting any potentially negative impact. The implementation phase is carried out through short-term action plans and multi-agency medium-term technical assistance;

(e) Implementation report and additional follow-up actions: About five years after the completion of the review report, UNCTAD conducts an assessment of implementation of recommendations and makes proposals for further and longer-term technical assistance.

225. **Outputs**: In 2014, the main outputs delivered by the IPR and follow-up programme include:

(a) Four new IPRs completed for Bosnia and Herzegovina, the Congo, Kyrgyzstan and the Sudan;

(b) Reports published on the implementation of the IPRs of Colombia and Zambia. Background research for the reports on the implementation of the IPRs of Benin and Morocco was launched;

(c) Preparatory work was launched to undertake three new IPRs for Madagascar, Tajikistan, and South East Europe (Albania, Bosnia and Herzegovina, Croatia, Kosovo (United Nations Administrative Region, Security Council resolution 1244 (1999)), Montenegro, the Republic of Moldova, Serbia, and the former Yugoslav Republic of Macedonia);

(d) Technical assistance activities were carried out to support the implementation of the IPR recommendations and to deal more effectively with issues related to investment policies, promotion strategies, international investment agreements and business facilitation. The countries which benefited from these activities notably include Colombia, the Republic of Moldova and Zambia.

226. **Overall results:** The activities undertaken under the project – assistance in formulating investment policies and building human and institutional capacities for sustainable development – have contributed to improving the policy, regulatory and institutional environment in developing countries, including LDCs, post-conflict countries and economies in transition. The IPRs and the activities in support of their implementation have played a key role to strengthen the investment policies and strategies of beneficiary countries. The programme's impact can be illustrated at three levels – country commitment and endorsement of IPR recommendations, their implementation, and impact on investment flows and investment environment.

1. Commitment at the highest level and endorsement of recommendations

227. The importance and relevance of the IPR work is reflected by the involvement of Heads of State or governments in the process and their commitment to implement its outcome. In most cases, the IPRs have been presented to and discussed with Heads of State and cabinet ministers. Examples include:

(a) The Minister of Economy of Guatemala discussed the IPR recommendations with the Secretary-General of UNCTAD and played an active role in the IPR national workshop in Guatemala City. The Minister also participated in the ensuing activities, including a high-level briefing session with cabinet ministers chaired by the Vice-President. In the former Yugoslav Republic of Macedonia, during the November–December 2010 mission, the Deputy Prime Minister for Economic Affairs and the Minister of Economy committed to the IPR process and to the implementation of the recommendations. The IPR of Mongolia was showcased at a high-level gathering between the President of Mongolia and over 400 investors during the 2014 World Economic Forum in Davos;

(b) Cabinet ministers and ambassadors from beneficiary and partner countries systematically participated in the intergovernmental presentations of the IPRs that took place in Geneva in the context of the Investment, Enterprise and Development Commission. For instance, Burkina Faso, Burundi, Guatemala and Sierra Leone participated in these sessions respectively in June 2009, April 2010, December 2010 and May 2011;

(c) More than 30 ministers as well as heads of international organizations (ITC, the Organization for Economic Cooperation and Development (OECD), the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS), and WTO) recognized, during the UNCTAD XIII ministerial round table (2012), the valuable guidance developing countries and economies in transition could obtain from the Investment Policy Framework for Sustainable Development (IPFSD).

228. Other examples where Heads of State and governments were directly involved in the IPR discussions and committed to implement their recommendations include Belarus, the Dominican Republic, Morocco, Nigeria, Rwanda, Uganda and Viet Nam.

229. Government officials have also directly expressed their interest as the following endorsements reveal:

(a) "The IPR Djibouti address very important issues and in particular, how FDI can contribute to job creation and poverty reduction." H.E. Mr. Hassen Ahmed Boulaleh, Minister of Commerce and SMEs, Handicraft, Tourism and Formalization, Djibouti, 30 April 2013;

(b) "Governments must continue efforts to create investment climates that are open, transparent, and predictable …we welcome UNCTAD's effort toward this end, through its Investment Policy Reviews." H.E. Mr. Kurt Tong, Principal Deputy Assistant Secretary, Bureau of Economic and Business Affairs, Department of State, United States of America, WIF 2014 (16 October 2014);

(c) "I acknowledge the quality of the work undertaken by UNCTAD …Obviously the Investment Policy Review is a most valuable source of information and recommendations that demonstrates the usefulness of the Investment Policy Framework for Sustainable Development at a time where we brainstorm on the post-2015 development agenda." H.E. Mr. François Riegert, Permanent Representative of France, 30 April 2013;

(d) "The Investment Policy Review provides very valuable insight which will help us improve the investment environment …in fact we have already taken steps to

implement its recommendations." H.E. Mr. Norovyn Altankhuyag, Prime Minister of Mongolia, 25 March 2013;

(e) "The IPR recommendations will be instrumental in improving Mozambique's business environment and in attracting more private investment to accelerate social and economic development." H.E. Ms. Amelia Nakhare, Deputy Minister of Planning and Development, Mozambique, 30 April 2013;

(f) "The LLDC Group wishes to commend UNCTAD for their works on Investment Policy Reviews, which have supported developing countries to create the conditions to strengthen the environment for investment." H.E. Mr. Federico Gonzalez, Permanent Representative of Paraguay, on behalf of LLDCs;

(g) "UNCTAD's contribution directly supported information- and knowledge-sharing among the task force members and assisted WHO [World Health Organization] FCTC [Framework Convention on Tobacco Control] Parties and observers by increasing their capacity to effectively implement the Convention in the face of challenges posed by aspects of international trade and investment agreements." Ms. Kate Lannan, Senior Legal Officer of the WHO Framework Convention on Tobacco Control, Workshop on Trade-related Issues, March 2012.

(f) "UNCTAD's contribution to the development of a continuous dialogue between the academia, IIA negotiators and NGOs in the field of investment rule-making is highly appreciated". Mr. Aslan Akpinar, Foreign Trade Expert, Directorate General of Incentives and Foreign Investment, Turkey, WIF IIA conference, April 2012.

230. The Group of Eight Summit Declaration of 2007 (Heiligendamm, Germany) recognized that the reviews and follow-up actions are "valuable mechanisms" for investment climate assessment. The outcome of the Group of Eight Muskoka Summit in Canada (25–26 June 2010) reaffirmed the commitment of the Group of Eight and the Group of Five L'Aquila Summit in Italy commended the Division's contribution to the international deliberation on the development dimension of investment policies. At the fifty-ninth session of the TDB in September 2012, IPRs were praised as "highly relevant for government officials, particularly for identifying economic sectors and promoting foreign investment in industries with potential for growth".

2. Implementation of IPR recommendations

231. Another benchmark of the impact of IPRs is the extent to which governments themselves find the recommendations useful and have implemented them.

232. The implementation reports prepared by UNCTAD (Colombia, Egypt, Ethiopia, Ghana, Kenya, Lesotho, Rwanda, the United Republic of Tanzania, Uganda and Zambia) showed, on average, a good to strong implementation record, increased interest by existing investors, and increased capacity to market investment opportunities. In many cases, these have been accompanied by significant increases in FDI inflows. The findings of the implementation reports are complemented by additional desk research which shows that in other IPR beneficiary countries, many of the recommendations have indeed been taken on board.

233. Based on UNCTAD research, close to 300 IPR recommendations have been adopted by beneficiary countries. Certain key areas figure prominently as implemented recommendations, especially those concerning promotion and facilitation of investment, fiscal policy, public governance and institutional setting as well as concessioning and public–private partnerships for infrastructure development. Another area that is also of importance relates to recommendations dealing with sector-specific policy advice.

234. About 40 per cent of IPR-related recommendations were implemented with the assistance of UNCTAD. The assistance provided by UNCTAD has taken different forms including advisory services on policy, legal and regulatory matters. These activities have led to the creation of an investment promotion agency in Burundi and of the Presidential Council on Investment in Burkina Faso; the adoption of a model bilateral investment treaty (BIT) in the Dominican Republic and in Sierra Leone; the revision of the mining legislation in Peru and Guatemala; the modernization of the investment promotion laws in Belarus, Kenya and Mongolia; the formulation of an investment policy for Lesotho; and the adoption of a skills attraction and dissemination programme in Rwanda. In Zambia, UNCTAD's Entrepreneurship Development Programme (Empretec) was successfully launched, as well as a linkages programme aimed at enhancing the benefits of FDI for domestic enterprises.

3. Direct impact on investment flows and improvement of the investment environment

235. IPR countries across different regions experienced – in some cases sharp – increases in FDI inflows. While these increases partly reflect the ongoing internationalization of production, they were also driven by greater openness towards foreign investment and more importantly by an improved investment framework due to effective reforms. In addition, African LDCs that have undergone an IPR have experienced lower volatility in FDI inflows between 1999 and 2012. While a causal relationship between FDI flows and the implementation of IPR recommendations cannot be directly assumed from the patterns observed, it is nonetheless pointing to the fact that these countries were ready and willing to reform their investment climate.

236. Furthermore, looking at the FDI performance by country also suggests an overall positive impact of IPRs. All 21 countries for which the IPR was published more than three years ago have indeed experienced an increase in FDI inflows. And for 13 of them, the increase has been dramatic, with FDI inflows more than doubling in the following years. For example, FDI to Rwanda soared from US$14 million in 2005 to an average of US$75 million between 2006 and 2010. Other examples of countries where the IPR was followed by a significant increase in FDI inflows include Benin, Ghana, Viet Nam and Zambia.

237. A different and perhaps more direct way of looking at the impact of IPRs over the years is to take stock of their incidence on national policies and on the ensuing reforms to the investment climate. This report contains several references to the policy reforms adopted by IPR countries and the implementation of IPR recommendations. International Doing Business indicators confirm the reform drive of IPR countries. For instance, among the 10 top reformers in the World Bank's Doing Business indicators between 2005 and 2012, seven of them are IPR countries. Between 2013 and 2014, out of the top 10 reformers among developing countries, five are IPR countries.

238. Another way to attest for the overwhelming expression of interest in the IPRs is illustrated by the number of requests for follow-up technical assistance as well as in the number of countries that have requested to benefit from the programme. Finally, the programme also included training and workshop events. In those cases, the participant evaluations indicate throughout a sustained positive impact of UNCTAD's work in the area of formulating and implementing investment policies.

239. The 2014 results by country are as follows:

240. **Bangladesh:** The IPR aims to improve the business climate to enable investment for sustainable development with a particular focus on attracting FDI in infrastructure through public–private partnerships, in line with the long-term development strategy, Vision 2021. During the IPR's presentation at the sixth session of the Commission on Investment,

Enterprise and Development in April 2014, he Minister of Industries indicated that "this review has paved the way to underscore important viewpoints in promoting investment in Bangladesh, including FDI and joint ventures, in line with our national growth and development objectives".

241. **Benin:** Background research has been done to prepare the implementation report of the IPR of Benin, published in 2005 (*Examen de la Politique de L'Investissement: Bénin*, UNCTAD/ITE/IPC/2004/4). A fact-finding mission is expected to take place in 2015 to gather the information to complete the draft report.

242. **Bosnia and Herzegovina:** Notwithstanding several locational advantages such as competitive labour costs, skilled workforce, a favourable tax regime and abundant electricity, FDI inflows have remained modest and the country's FDI attraction performance lags behind that of other countries in the region. The draft IPR focuses on the need to harmonize policies and regulations at the subnational level, strengthen the rule of law and address impending institutional and regulatory issues. The report also recommends adopting a more coordinated approach to investment promotion as well as tools and strategies for increased FDI attraction. The draft report, prepared in 2014, will be discussed at a national workshop in 2015.

243. **Colombia:** UNCTAD published, in June 2014, the *Report on the Implementation of the Investment Policy Review* (UNCTAD/DIAE/PCB/2014/1). The IPR, finalized in 2006, outlined an FDI strategy to leverage foreign investment to upgrade the technological capacity of domestic industries, internationalize Colombian firms and also contribute to infrastructure development. The implementation report showed that the country has advanced remarkably in implementing the IPR recommendations, particularly in terms of regulatory reform, by adopting modern legislation in line with international best practices. Further efforts are, however, required to strengthen capacity to effectively implement the existing laws and regulations.

244. **The Congo:** The IPR highlights the Congo's investment potential and its current dependence on oil. It recommends specific solutions to the main challenges faced by local and foreign investors in support of economic diversification and proposes a strategy to attract investment in agricultural production and transformation. The draft report was discussed in Brazzaville in November 2014 in cooperation with the UNDP Office and the Food and Agriculture Organization of the United Nations. The Minister of State for Industrial Development and Private Sector Promotion, Mr. Isadore Mvouba, congratulated UNCTAD for correctly identifying all key problems in the IPR. "Moving from subsistence farming to industrial farming requires a change of mentality" he said, adding that "FDI must be integrated in a manner that takes into account the IPR's recommendations". The final version of the report was presented at an intergovernmental meeting in April 2015 in Geneva.

245. **Kyrgyzstan:** UNCTAD completed a draft of the IPR. The report provides the country with specific policy recommendations on how to improve the country's investment attractiveness and adapt investment policies to the requirements implicit in ongoing regional integration processes. The draft report will be discussed at a national workshop in 2015.

246. **Madagascar:** UNCTAD has started the preparation and background research for the IPR. At the request of the Government, the report will, in addition to reviewing the legal, regulatory and institutional framework for investment, propose a strategy to attract FDI in support of the development of key economic sectors such as agro-industry, textile and tourism as well as to devise policies to extract more long-term benefits from the mining sector activities. The report will also pay particular attention to issues related to infrastructure and entrepreneurship development. A fact-finding mission has taken place

(February 2015) to gather the information required to write the report, a draft of which will be discussed at a national workshop in September 2015.

247. **Mongolia:** The IPR develops an overall strategy to attract FDI to promote economic diversification. The key recommendations were discussed during the sixth session of the Commission on Investment, Enterprise and Development in April 2014. The Vice Minister of Economic Development of Mongolia, echoing the Prime Minister and cabinet ministers, to whom the IPR was presented earlier in Ulaanbaatar, stressed that the Government had already started implementing a number of IPR recommendations. These included the revision of the FDI regime, the creation of a new investment promotion agency, the development of a brand for Mongolia's key products, the development of an agricultural commodity exchange, the revision of the mining legislation to improve licensing and public participation, as well as several recommendations in the area of tourism development.

248. **Republic of Moldova:** The IPR provides the Government with concrete recommendations to reach regulatory excellence and eliminate the main bottlenecks to sustainable development and more beneficial FDI in the areas of human resources and physical infrastructure. It also recommends improving the institutional setting for investment promotion. The final report was also discussed at the sixth session of the Commission on Investment, Enterprise and Development in April 2014 in Geneva. The Vice Minister of Economy endorsed the findings and recommendations indicating that "the IPR is a milestone that contributes to both the improvement of Moldovan investment policies and its FDI promotion system". As a follow-up to the IPR, UNCTAD developed an investment promotion strategy for the country's investment promotion agency.

249. **Morocco:** Background research has been done to prepare the implementation report of the IPR of Morocco, published in 2008 (*Examen de la Politique de L'Investissement: Maroc*, UNCTAD/ITE/IPC/2006/16). A fact-finding mission has taken place (March 2015) to gather the information to complete the draft report.

250. **The Sudan:** The IPR proposes a strategy to improve the institutional setting for investment promotion with a view to foster coherence and coordination. The draft report was presented at a national workshop in Khartoum in November 2014. The event, chaired by the Secretary-General of the National Investment Authority was well attended and the suggestions received were incorporated in the final version of the report, which will be presented at an intergovernmental meeting in April 2015 in Geneva.

251. **South East Europe region:** In 2014, UNCTAD also started working on an IPR for the South East Europe region. This first regional IPR will cover the following economies Albania, Bosnia and Herzegovina, Croatia, Kosovo (United Nations Administrative Region, Security Council resolution 1244 (1999)), Montenegro, the Republic of Moldova, Serbia, and the former Yugoslav Republic of Macedonia. As a member of the South East Europe Investment Committee and signatory of the Central European Free Trade Agreement (CEFTA), the Republic of Moldova will also be included in the study. Regional consultations took place in May, June and November 2014 to define the content of the IPR and UNCTAD sensitized member States on the process to undertake the study. The IPR will benchmark each beneficiary's investment policies against a regional standard defined as an open investment policy, that is: non-discriminatory, transparent, predictable and conducive to greater FDI flows, as envisioned in pillar 1 of the South East Europe 2020 strategy.

252. **Zambia:** The *Implementation of the Investment Policy Review: Zambia* (UNCTAD/DIAE/PCB/2014/2) was published in June 2014. Completed in 2006, the IPR proposed a strategy to encourage economic diversification and foster sustainable development objectives. The findings of the implementation report showed that significant progress in implementing IPR recommendations was recorded in areas such as business

facilitation and enterprise development, access to finance and macroeconomic stability, as well as in terms of improved infrastructure and service. UNCTAD's Empretec was successfully launched following a recommendation from the IPR. A Zambian entrepreneur, a beneficiary from the programme, was honoured as one of the 10 finalists of UNCTAD's 2014 Empretec Women in Business Award at the WIF. However, a number of IPR recommendations, especially those aimed at fostering economic diversification towards manufacturing and services, have only been partially implemented.

253. **Requests from member States for an IPR:** Official requests for investment policy reviews are in the pipeline for 27 countries: Armenia, Azerbaijan, Bahrain, Bhutan, the Plurinational State of Bolivia, the Central African Republic, Chad, Chile, the Democratic Republic of the Congo, Fiji, Gabon, Guinea-Bissau, Haiti, Kazakhstan, Kuwait, Malawi, Mali, Nicaragua, Oman, Papua New Guinea, the Philippines, Saint Lucia, Suriname, Swaziland, Trinidad and Tobago, Tunisia and Turkmenistan.

B. International investment agreements

254. **Development context:** The year 2014 saw the signature of 27 new IIAs – 14 BITs and 13 "other IIAs". This brought the universe of IIAs to 3,263 agreements by the end of the year (2,916 BITs and 347 "other IIAs").

255. After more than 50 years of continuing growth and expansion, as well as with many ongoing negotiations and multiple dispute-settlement procedures, the regime of IIAs is at a crossroads. As manifested by developments in 2013, there is an increasing dichotomy in investment treaty making. On the one hand, there is an "up-scaling" trend in treaty making; on the other hand, a growing number of developing countries in Africa, Asia and Latin America are disengaging from the regime.

256. "Up-scaling" in treaty-making manifests itself in increasing dynamism (with more countries participating in ever-more-quickly sequenced negotiating rounds) and in an expansion of the depth and breadth of issues being addressed. Examples include sustainable development features and provisions that bring a liberalization dimension to IIAs and/or strengthen certain investment protection elements, as well as negotiations for mega-regional agreements.

257. While almost all countries are parties to one or several IIAs, many are dissatisfied with the current regime. Concerns relate mostly to the development dimension of IIAs, the balance between the rights and obligations of investors and States, and the systemic complexity of the IIA regime. Countries' efforts to address these challenges reveal four different paths of action: (a) disengaging from the system; (b) maintaining the status quo; (c) introducing selective adjustments; (d) undertaking systematic reform.

258. The path of making selective adjustments to future IIAs is the path of reform that is being increasingly used by countries. At the same time, discussions about a more comprehensive reform of the IIA regime are also gaining ground. Such discussions culminated at the 2014 IIA conference, where participants sketched the contours of a roadmap for reform of the IIA regime and called upon UNCTAD to provide a multilateral platform for engagement on investment policy issues and to work with other stakeholders to further design the roadmap for IIA reform.

259. It is against this background that UNCTAD implements its Work Programme on IIAs. Activities in UNCTAD's three pillars (research and policy analysis, technical assistance and advisory services, and intergovernmental consensus-building) respond to the growing desire for reform and are aimed at making the IIA regime work better for both States and investors, and at being more conducive to sustainable development.

260. **Objectives and features**: Recently, the Work Programme on IIAs has been guided by the Accra Accord, which establishes UNCTAD as the key focal point in the United Nations system for dealing with all matters related to IIAs (paragraph 151) and the Doha Mandate, which ratifies it (paragraph 65(k)). Accordingly, the Work Programme on IIAs aims to help foster the sustainable development dimension of the international investment regime. Among other objectives, it focuses on the design and negotiation of IIAs that are friendlier to sustainable development and the prevention and better management of investor–State dispute settlement cases.

261. A key element of all three IIA work dimensions – policy analysis, consensus-building and technical cooperation – is the implementation and dissemination of UNCTAD's IPFSD. As mandated by the ministerial round table and the IIA conference during the WIF 2012, the IPFSD constitutes the culmination of UNCTAD work on the sustainable development dimension of IIAs and provides the basis for the future work of the Conference in this area.

262. Following technical assistance and outreach activities based on IPFSD during 2013, activities of the Division in 2014 focused on the flagship publication *WIR 2014*, launched in June, and the WIF 2014, held in October.

263. **Outputs:** These are set out below:

1. Research work related to technical assistance

264. **COMESA 2014 Investment Report 2014:** The Work Programme on IIAs provided the chapter on international investment policy development to the COMESA report. Building on chapter 3 of *WIR 2014*, the contribution reviews recent trends in IIAs and investor–State dispute settlements (ISDSs) in member countries, discusses emerging issues and systemic implications arising from mega-regionals (including the COMESA–SADC–East African Community (EAC) Tripartite Free Trade Agreement), and flags different options for reforming the IIA regime. This is the third consecutive year of COMESA and UNCTAD cooperation on this project.

265. **Pre-establishment study:** Issues concerning the acquisition and establishment of investments have emerged as a key feature of IIA negotiations, with a growing number of important countries demanding the inclusion of relevant clauses in the IIAs they negotiate. Some other countries, however, approach this trend with caution: lack of familiarity with the relevant treaty practice and the concern that pre-establishment commitments may impose undue restraints on the countries' policy space are factors in this regard. From a technical perspective, pre-establishment is a complicated area of treaty making that involves a wide variety of legal techniques, each with its specific implications. The Work Programme on IIAs is creating a toolkit to support the design and negotiation of pre-establishment commitments in IIAs that are in line with countries' sustainable development strategies.

266. **IIA Mapping Project:** The reporting period saw the completion of the second round of the University Mapping Project, part of the work programme's overall IIA Mapping Project. The project builds on UNCTAD's IPFSD work to create a comprehensive database of IIAs by analysing individual treaties for 150 elements and variations of IIA provisions. The database deepens the understanding of trends in the substantive and procedural elements of IIAs over time, and feeds directly into UNCTAD's ongoing policy research and analysis, as well as its technical assistance activities. Among others, it has been used to analyse the IIAs that were concluded in 2013 (feeding into *WIR 2014*) and to analyse the IIAs of selected countries (for example, the Democratic Republic of the Congo, Kyrgyzstan and the Sudan) for use in the respective country's IPR.

267. **University Mapping Project:** The second round of this project took place between 14 January and 17 May 2014 when, under the supervision of their professors, 118 students from twelve universities from nine countries (Argentina, Canada, China, France, Germany, the Republic of Korea, Turkey, the United Kingdom and the United States) cross-mapped 550 BITs. The second round of the project brought the total amount of BITs "mapped" by students to close to 800 agreements. The third round of the University Mapping Project took place between January and May 2015, when, under the supervision of their professors, 70 students from seven universities cross-mapped 308 BITs in five different languages (that is, 302 BITs in French, 28 BITs in Italian, 34 BITs in Russian, 39 BITs in Arabic and 26 BITs in Portuguese). The third round of the project brought the total amount of BITs mapped by students to close to 1,100 agreements.

268. **IIA annual survey:** As part of the Work Programme on IIAs long-term regular activities, the IIA annual survey is launched early every year. It aims at engaging with governments in the follow-up of investment policymaking to report on national, regional and global trends. In 2014, 53 countries from different regions replied to the survey and in addition to gathering information on new IIAs and those that entered into force, countries also reported on the termination of existing ones. While the work programme now carries out regular monitoring of IIA developments (for Investment Policy Monitors and joint UNCTAD-OECD reports, as well as the *WIR*), the annual survey continues adding value by officially confirming and completing information obtained throughout the year. The survey for 2014 data was initiated in early 2015.

269. **IIA Navigator:** The new UNCTAD database on IIAs, called the IIA Navigator, contains the text of over 2,129 BITs and 322 "other IIAs" dating from 1959 to the present day, making it the world's most comprehensive collection of IIAs. With this database, UNCTAD creates a "one-stop shop" for information dissemination relating to IIAs, providing users and investment stakeholders with the latest trends in this rapidly evolving area. The database can be accessed through UNCTAD's Investment Policy Hub (see below). Among the advantages of the new database is its user-friendly presentation of data: users can obtain up-to-date information on the total number of IIAs concluded by an economy or a country grouping, sort treaties by different criteria, review the most recently concluded IIAs or find a country's model BIT. The database also allows for advanced searches by type of agreement, geographical region, country grouping, treaty status, full text, and treaty language. With over 2,400 fully searchable IIA texts, in several languages, users can also undertake searches by key words to facilitate substantive IIA analysis.

270. **ISDS database update:** UNCTAD's ISDS database contains information about international arbitration cases initiated by investors against States under ISDS clauses in IIAs. By the end of 2013, the database contained 568 cases. UNCTAD's current work aims to move the ISDS database onto a tailor-made web platform, which can be integrated with the IIA database. A significant part of the database will be made available to external users, for free, through the UNCTAD Investment Policy Hub. The database will (a) simplify and streamline ISDS data management by UNCTAD staff and track changes; (b) provide a reliable and user-friendly tool for consulting and searching ISDS-related information; (c) allow the sorting, filtering and slicing of data in various ways.

271. **Trade and investment law clinics:** As in previous years, the UNCTAD Work Programme on IIAs involved collaboration with universities' legal clinics. Pro bono legal opinions prepared by students for real clients, such as UNCTAD, offer the opportunity to thoroughly analyse trade and investment law and jurisprudence through a combination of practice and theory. Moreover, the investment law clinic makes students familiar with UNCTAD's work. During the spring term of 2014, students from the Institute de Hautes Etudes Internationales et du Développment (Graduate Institute of International Development) in Geneva finalized analysis on "Tax base erosion and profit sharing in

international economic law". During autumn of 2014, the IIA programme engaged with the Graduate Institute and the Georgetown Law Center, Washington, D.C., in collaboration with the University of Ottawa in Canada, to determine IIA-related research questions for students to choose from in preparation of the spring 2015 edition of the legal clinics.

2. Technical assistance

(a) Advisory services and ad hoc technical assistance

272. The advisory services offered by UNCTAD's work programme on IIAs include comments to countries' or regions' model IIAs, IIA-related sections of IPRs, and demand-driven analyses of various aspects of countries' overall IIA universe (including specific studies, for example on a country's ISDS experience), assistance in the drafting of reports or intensive, face-to-face training sessions. Advisory services are offered with a view to identifying options for maximizing the sustainable development dimension of IIAs. Feedback is based on UNCTAD's IPFSD, but the analysis is tailor-made considering the specificities of each country and/or region.

273. **Commentaries on countries' model IIAs:** In line with UNCTAD's IPFSD, UNCTAD comments on countries' model IIAs aim to strengthen the sustainable development dimension of the IIAs, taking into account public policy concerns in line with the evolution in international investment law, and to clarify certain provisions to avoid overly broad interpretations and ensure legal predictability. The comments provide a basis to stimulate inter-agency dialogue and debate about possible options for maximizing the development dimension in the present model IIA. Beneficiary countries and regions were Iceland, India, the Dominican Republic and the Pacific Islands Forum.

274. **IPRs:** The IIA programme contributes the IPR section on the country's international investment policy engagement, based on a comprehensive legal review/mapping of the country's available IIAs and ISDS experience. Concrete and action-oriented policy recommendations are based on the IPFSD and subsequent analytical work (for example, on IIA reform, treaty expiration) and aim to make the country's IIA regime conducive to sustainable development objectives. In 2014, the IIA programme provided inputs for the IPRs of the Congo, Kyrgyzstan and the Sudan.

275. **Comprehensive legal reviews/mappings of the IIAs and ISDS experiences:** This analytical and advisory work will feed into the project on Investment and Enterprise Policies for the Implementation of the South East Europe 2020 strategy, implemented by UNCTAD in partnership with the Regional Cooperation Council and the CEFTA secretariat. Beneficiary countries are Albania, Bosnia and Herzegovina, Croatia, Kosovo (United Nations Administrative Region, Security Council resolution 1244 (1999)), Montenegro, Serbia, and the former Yugoslav Republic of Macedonia.

276. **Other advisory services:** The Netherlands: study on "Treaty-based ISDS cases brought under Dutch IIAs", January–July 2014; Tajikistan: intensive face-to-face session with officials from the Ministry of Foreign Affairs, 18 November 2014; the United Nations Economic Commission for Africa (ECA), November 2014 – UNCTAD's work programme on IIAs provided in-depth, substantive comments and inputs on a draft ECA report entitled *Review of Investment Policies and Bilateral Investment Treaties Landscape in Africa: Implications for Regional Integration*, which also contributed to an ECA Ad Hoc Expert Group Meeting, held in from 25 to 26 November 2014 in South Africa.

(b) Regional or other trainings, organized or co-organized by UNCTAD

277. Following a number of training courses held during the second half of 2013, and a strategic decision to focus 2014 activities on the Division's flagship publication *WIR 2014*

and the WIF 2014, UNCTAD's Work Programme on IIAs scaled down its activities with regard to training courses. Some capacity-building activities organized or co-organized by UNCTAD took place as described in the following paragraphs.

278. Training on IIAs and ISDS for the Pacific Island Countries, 13 October 2014, Geneva, Switzerland: This one-day training formed part of UNCTAD's broader support to the Office of the Chief Trade Adviser of the Pacific Island Countries and government officials from the countries (see above). Back-to-back with the officials' participation in the WIF's policy debates, the training offered space for debating technical and legal issues. It built the capacity of the countries for negotiating investment.

279. International workshop on Regional Free Trade and Investment Agreements, 12 and 13 June 2014, Minsk (by video link): Organized by the Ministry for Foreign Affairs of Belarus and the International University "MITSO", the workshop convened about 50 participants, including government officials, businesspeople, representatives of legal institutions from the Commonwealth of Independent States (CIS) and the Eurasian Economic Community, practicing lawyers and academics.

280. Dissettle summer school on "Dispute settlement in trade: Training in law and economics", 18 June 2014, Geneva, Switzerland: The interdisciplinary "Dissettle" programme trains a new cohort of 30 economic and legal experts from 12 countries to work together on areas of dispute resolution under the WTO and bilateral and regional trade agreement regimes, including IIAs. The contribution of UNCTAD to this programme was particularly appreciated in anticipation of the October Multi-disciplinary Academic Conference at the WIF.

281. World Trade Institute Summer School, Investment Week, 30 July 2014, Bern (by video link): The World Trade Institute's 2014 summer academy brought together over 68 students from more than 33 countries, including civil servants, doctoral researchers and graduate students in the legal and economic fields. The investment module focused on the dynamic field of IIAs and ISDS, exploring recent developments, the nature of the substantive disciplines and actors involved in international investment law. It also addressed some of the most important policy and rule changes, both proposed and implemented, to improve investor–State arbitration or as alternatives to that system.

282. FDI Policies Seminar, Joint Vienna Institute for International Economic Studies, 23 September 2014, Vienna (by video link): Organized on behalf of the Austrian Ministry of Finance and the Austrian Central Bank, the week-long seminar on FDI gave participants from transition economies an overview of key issues in FDI promotion and protection. Some 30 policymakers (from various ministries and investment promotion agencies) and academics from 11 countries benefited from UNCTAD's presentation.

283. SADC Investment Focus Group meeting for an investment policy framework, 21 October 2014, Pretoria (by video link): UNCTAD briefed senior investment officers from investment promotion agencies and ministries on trends in FDI and investment policymaking, focusing on SADC economies, and an action plan for promoting private sector contributions to the SDGs. The UNCTAD presentation contributed to the work undertaken by the European Union-funded Regional Economic Integration Support programme, which supports the SADC Regional Action Programme for Investment, aimed at improving the investment climate and at increasing FDI.

284. Eighth Annual Forum of Developing Country Negotiators, 5–7 November 2014, Montreux, Switzerland: Seventy-seven negotiators from 55 developing countries – including experts from the Caribbean Common Market, the International Institute for Sustainable Development, South Centre and UNCTAD, attended the forum. Entitled "Investment treaties and economic development: Growing conflicts and options for coherence", the event provided a platform for an open and informal exchange of

experiences. Discussion topics included economic development policies, industrial policies, performance requirements, and different approaches to investment liberalization. UNCTAD's IIA programme contributed by, among others, giving a presentation on recent trends and IIA reform during the opening panel, and a presentation on negotiating pre-establishment IIAs. There was ample opportunity for cross-fertilization and synergies between the WIF and the forum.

285. United Nations Institute for Training and Research–MGIMO University training course – "WTO and regional CIS trade regimes: Issues of interaction under international law", 8–12 December 2014, Moscow: Organized for government officials from foreign and economic ministries in the Russian Federation and other CIS countries, the event benefited 27 officials from nine CIS countries (representing foreign ministries and economic ministries). The course built the capacity of the relevant officials in the area of international trade and investment law.

286. **Overall results and impact:** While it is not possible to show a direct causal relationship between the work of UNCTAD on IIAs (including the IPFSD) and the generation of sustainable development benefits from increased investment flows to host countries, there is strong evidence that the IIA programme has a concrete and positive impact.

287. In terms of actual policy changes, the relevance of UNCTAD's IPFSD can be deduced from the fact that all of the 13 IIAs signed in 2014 for which text is available reflect the consolidation of the trend of an increasing number of sustainable development-oriented provisions as outlined in the IPFSD (that is, reference to sustainable development and right to regulate in the preamble, and preservation of regulatory space in the treaty text). These developments point towards the IPFSD's effectiveness and impact. In addition, several emerging and large developing countries such as Brazil, India, Indonesia and South Africa, as well as transition economies, have started revising their international investment policies to better align them with sustainable development objectives, frequently referring to the work of UNCTAD in this area. The same applies for so many other developing and developed countries that not only refer to UNCTAD's work in this area, but seek its advice. UNCTAD work on IIAs (that is, IIA and ISDS databases and research findings) is being cited worldwide in specialized media (for example, *The Economist* and the *Financial Times*), academic journals, and international organizations and NGO research work.

288. In 2014, the Work Programme on IIAs was in charge of the organization of the ministerial round table and the IIA conference that took place as part of the third WIF (Geneva, 13–16 October 2014). The ministerial round table "Investing in the sustainable development goals" convened investment, trade and development ministers from 29 countries and two heads of international organizations. The high-level meeting urged that the SDGs contain concrete provisions on means of implementation, acknowledging that official development assistance and public resources would not be sufficient to achieve the ambitious goals. In addition, the round table considered appropriate policy frameworks for sustainable investment, as well as strategies to promote private investment in the SDGs, based on UNCTAD's *WIR 2014*. The outcome of the meeting will feed into the Conference on Financing for Development in Addis Ababa from 13 to 16 July 2015 and ultimately into the goal-setting United Nations Summit to Adopt the Post-2015 Development Agenda, to be held in New York in September 2015.

289. The IIA conference "Reforming the international investment agreements regime", convened more than 50 key stakeholders, including chief IIA negotiators, senior business representatives, and representatives from relevant intergovernmental organizations and civil society. Participants addressed the challenges arising from IIAs and considered ways to reform the IIA policy regime. The conference sketched the contours of a roadmap for reform of the IIA regime and called upon UNCTAD to work with other stakeholders and

develop the roadmap for IIA reform that offers concrete solutions for making IIAs more supportive of sustainable development. The work continued at an UNCTAD "Expert meeting on the transformation of the international investment agreement regime: The path ahead", on 25–27 February 2015 in Geneva.

Quality: Technical assistance activities as usual received strong statements of appreciation. The IPFSD continues to be used in UNCTAD capacity-building and technical assistance activities on IIAs. The importance, quality and usefulness of IIA-related research and training courses have been acknowledged by numerous stakeholders:

(a) "As the recent external evaluation of subprogramme 2 highlighted, the work of UNCTAD to strengthen member States' ability to negotiate international investment agreements has been both relevant and useful. This is an area of need for many members of this group. In this regard we would like to thank UNCTAD for the tailored assistance it offers to our Pacific members for the development of a model international investment agreement …Today such agreements are demanding much attention. We therefore, appreciate the opportunity to benefit from UNCTAD's accumulated expertise on this topic and welcome UNCTAD's further work with SDIS in developing specific activities to meet the needs of our members." Barbados on behalf of the Group of Small Island Developing States (SIDS);

(b) "Sri Lanka has greatly benefited from UNCTAD's advisory services with respect to development of our new model bilateral investment treaty. The Investment Policy Framework for Sustainable Development ...has provided highly valuable input for this exercise. Sri Lanka congratulates UNCTAD for its rigorous and impactful work regarding IIAs and encourages it to continue, which is especially important given the current discussion on IIA reform, again an issue picked up in *WIR 2014*."

(c) "[The] Lao People's Democratic Republic greatly welcomes UNCTAD's Investment Policy Framework for Sustainable Development, which serves us as a practical guidance in our reform efforts". The Lao ministerial statement during WIF 2014;

(d) "...appreciate that through its Investment Policy Framework for Sustainable Development (IPFSD), and in particular, through the Investment Policy Review of Nigeria, UNCTAD has provided practical guidance to make the domestic policy framework, as well as the international investment agreements regime more conducive to the SDGs…." Nigerian ministerial statement during WIF 2014;

(e) "We are very aware of UNCTAD's valuable work. UNCTAD's researches and publications help us significantly while drafting new model BIT[s]. Thank you for your work and effort!" Elishka Nemecka, International Investment Law Department, Ministry of Finance of the Czech Republic;

(f) "On behalf of Director General Li Chenggang, we would like to extend our heartfelt congratulation on the successful IIA conference held one month ago and sincerely thank you for all the efforts you devoted. We find this very useful in helping identifying the challenges and charting out the path forward. We also echo the call from many participants that UNCTAD should provide a multilateral platform to further design the roadmap for the IIA reform". Tian Ya, Deputy Director, Department of Treaty Law, Ministry of Commerce, China;

(g) "The Group recognizes the work of UNCTAD in the sphere of international investment agreements and investor–State dispute settlement. UNCTAD has contributed systematically to improve the technical capacities of our negotiators through regional and national training workshops." Uruguay on behalf of the Latin American and Caribbean Group.

VIII. ClusterVIII: Investment facilitation

Lead entity: Division on Investment and Enterprise

290. The programmes under this cluster (table 8) aim at strengthening the capacity of developing countries to create and manage the policy and institutional framework for attracting and retaining foreign investment and develop an operating climate that maximizes the contribution of FDI to development objectives.

Table 8
Investment facilitation

Project number	*Short title*	*Period covered*	*Source of fund*
ALB/0T/BCT	"Delivering as one" Albania 2013 project	2012–	"One United Nations"
APG/0T/BAD*a*	Transparencia en los trámites de inversión en Lomas de Zamora (e-regulations)	2011–2014	Argentina
CMR/0T/BAC	Facilitation des affaires au Cameroon (e-regulations Cameroon)	2011–	Cameroon, France
CMR/0T/CBK	Projet de facilitation des affaires au Cameroon – e-regulations, phase two	2013–	United Nations Development Programme
COL/0T/CAV	Business facilitation, Colombia	2014–	Colombia
CVI/0T/9AL	"Delivering as one", Cabo Verde	2009–	"One United Nations"
ELS/0T/CAZ	United Nations to United Nations Agency Contribution Agreement, "Delivering as one" joint programme, El Salvador project	2013–	United Nations Development Programme
ELS/0T/CBQ	Business facilitation, El Salvador	2014–	El Salvador
VIE/0T/CAF	Transparency of investment procedures in Viet Nam – e-regulations phase three (Viet Nam national component)	2013–	Luxembourg
VIE/0T/CAG	Transparency of investment procedures in Viet Nam – e-regulations phase three (UNCTAD international component)	2013–	Luxembourg
MOR/0T/7AI	Promotion des investissements dans la région de l'Oriental du Maroc	2007–	Morocco
PAL/0T/3BZ*a*	Institutional support and capacity-building for investment retention	2003–2014	Norway
PRC/0T/BAZ	Facilitation des affaires en Congo (e-regulations)	2012–	Congo
RWA/0T/BAO	"Delivering as one" Rwanda project, economic growth	2011–	"One United Nations"

Project number	*Short title*	*Period covered*	*Source of fund*
RWA/0T/DBQ	"Delivering as one" Rwanda project, inclusive economic transformation, youth and women employment	2014–	"One United Nations"
URT/0T/BBM	"Delivering as one" United Republic of Tanzania project	2011–	"One United Nations"
URT/0T/CBR	United Nations to United Nations Agency Contribution Agreement, "Delivering as one" joint programme on business facilitation, United Republic of Tanzania	2014–	United Nations Development Programme
URT/0T/DAK	United Nations inter-agency cluster "Delivering as one" joint programme on market value chains, United Republic of Tanzania	2014–	United Nations Office for Project Services
INT/0T/IBN	Capacity-building in investment promotion	2001–	Multi-donor
INT/0T/6AT	Investment gateway system	2006–	Multi-donor
INT/0T/BCZ	Blended learning courses on trade-related aspects of intellectual property rights	2012–	Germany
INT/0T/CAO	UNCTAD and United Nations Industrial Development Organization collaboration on a global project to strengthen pharmaceutical production in developing countries and LDCs	2013–	United Nations Industrial Development Organization
GLO/0T/ABG	Technical assistance in developing countries in creating prospects for the domestic private sector in implementing the Agreement on Trade-related Aspects of Intellectual Property Rights	2010–	Germany
INT/14/X58	Investment facilitation	2014–	Germany
ROA-2263 (AJ)	Enhancing the capacities of landlocked developing countries to attract FDI for the development and modernization of productive capacities	2011–2014	Development Account
ROA-2907 (N8)	Building national capacities for promoting FDI in green and other growth sectors	2013–	Development Account

[a] Operationally but not financially completed or fully completed in 2014.

A. Investment promotion

291. **Development context:** With the globalization of economic activities, more and more developing countries are seeking FDI. This has resulted in proactive policies by these countries to attract and retain foreign investment, including green investment, in order to generate employment and improve access to technology and know-how, as well as management and marketing skills.

292. **Objectives and features:** To assist developing countries in strengthening their capacity to create and manage the policy and institutional framework for attracting and retaining foreign investment and in developing an operating climate in which FDI and international business can thrive and contribute to sustainable development. The investment promotion programme provides advisory services and training and prepares publications related to investment policies, legislation and regulations, institutional arrangements and good governance to attract FDI, investment promotion strategies and investment facilitation practices. Special attention is being paid to strengthening investment promotion programmes in LDCs, landlocked developing countries and small island developing States.

293. **Outputs:** In 2014, the main outputs of the programme were as detailed below.

1. Advisory services

294. **Republic of Moldova:** As a follow-up to UNCTAD's *Investment Policy Review: Republic of Moldova* (2013), UNCTAD prepared an advisory report on an operational investment promotion strategy for the Investment and Export Promotion Organization of the Republic of Moldova for 2015–2016. On 15 December 2014, the report was presented in Chisinau to executives of the Investment and Export Promotion Organization, senior officials of the Minister of Economy and the Prime Minister's Office, and other key investment promotion stakeholders, including the World Bank, associations of foreign investors and international donors.

295. **Jamaica:** At the request of the Jamaican investment promotion agency, UNCTAD prepared an advisory report on Jamaican special economic zones and promoting sustainability and attracting FDI for renewables and energy efficiency. A workshop for stakeholders was held in Kingston on 20 November 2014 and inputs received from government agencies were incorporated.

296. The annual UNCTAD Investment Promotion Awards, which have honoured best practices in various fields of investment promotion since 2002, award investment promotion agencies for the promotion of sustainable investment and foster the exchange of ideas, tools and practices from developed and developing countries. In 2014, awards were given to agencies for targeting, marketing and facilitating projects that contributed to sustainable development, in particular environmental sustainability. Agencies were asked to participate in an online survey and submit FDI projects they had helped to attract and that had contributed to sustainable development. A total of 31 qualified projects were received from around the world, covering investments in areas such as renewable energy, green manufacturing, waste treatment, electric vehicles and green housing. Four investment promotion agencies from Rwanda, South Africa, Trinidad and Tobago and the United Kingdom received awards at a high-level ceremony held on 13 October 2014 in Geneva. The awards were presented by the President of the Swiss Confederation, the Head of Government of Tunisia, the President of the Inter-Parliamentarian Union and a United Nations Development Programme Goodwill Ambassador. The ceremony was witnessed by 2,000 high-level representatives from 150 countries.

297. UNCTAD provided advice to the newly established World Free Zones Organization on institutional arrangements and an operating strategy at a meeting held on 13 January 2014 in Dubai, United Arab Emirates.

298. In 2014, the UNCTAD platform on green FDI for investment promotion agency professionals and policymakers was launched (see http://www.greenfdi.org). The website aims to meet the learning and networking needs expressed by investment promotion agencies worldwide in promoting green investment.

2. Publications and training material

299. The following three publications related to investment promotion and facilitation were published in 2014:

(a) The *Investment Guide to the Silk Road*, which highlighted the changing investment climate and investment opportunities in the Silk Road region, covering Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan and four western provinces in China. The guide, an update of Silk Road investment guides published in 2006 and 2009, was launched on 16 October 2014 in the presence of the Minister of Economy of Kyrgyzstan, the Secretary-General of UNCTAD, and the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States;

(b) The IPA Observer No. 3, *Skills and Foreign Direct Investment Promotion: What Can an Investment Promotion Agency Do?* The note included best practice case studies from Costa Rica, Lithuania and Malaysia;

(c) A brochure on the UNCTAD Investment Promotion Awards, which highlighted the different awards and winners since 2002.

3. Capacity-building

300. UNCTAD held a regional capacity-building workshop, entitled "Fostering the green FDI opportunity in Latin America and the Caribbean", in Bogota from 6 to 8 May 2014. The event was hosted by the national investment promotion agency of Colombia. Over 40 officials and experts from 19 countries and territories in Latin America and the Caribbean, representing 30 agencies, ministries, local promotion authorities and green businesses, participated in the workshop, which also included visits to green companies.

301. On 13 October 2014, a workshop entitled "Geneva cleantech cluster: Lessons learned" was held in Geneva. The workshop, co-organized with the Geneva Economic Development Office, covered Geneva's vision for clean technology, its experience in developing the Cleantech Cluster and the role played in the process by investment promotion and economic development agencies. The workshop included 55 participants from investment promotion agencies, the private sector, NGOs and academic institutions.

4. International meetings and networking events

302. On 15 October 2014, UNCTAD organized an investment promotion conference as part of the World Investment Forum. The conference covered the attraction of FDI in infrastructure and green sectors. Partners included the World Economic Forum and the United Nations Environment Programme Finance Initiative. In total, 250 investment promotion officials and policymakers participated in the conference. On the same day, in parallel with the conference, a round table on sovereign wealth funds was held, which discussed promoting long-term sustainable investment in developing countries. The round table attracted 250 high-level participants.

303. On 16 October 2014, a high-level meeting on investment in landlocked developing countries was held during the World Investment Forum. The outcome of the meeting, which included presentations by ministers from landlocked developing countries and private sector executives, was shared with the Second United Nations Conference on Landlocked Developing Countries, held from 3 to 5 November 2014 in Vienna.

304. During the World Investment Forum, "talking business" sessions included country presentations to business executives by 16 ministers and other high-level government officials from Africa and the Caribbean, including 12 LDCs and small island developing

States. In addition, 14 developing countries had an investment promotion stand at the World Investment Forum.

305. An issue of the SmartPromotionNetwork online service went out on the first working day of each month in 2014. The newsflash included the latest on FDI trends, investment promotion strategies and practices, and upcoming events and publications of interest to investment promotion professionals and policymakers.

306. Contributions to investment promotion agency forums and other organizations included keynote speeches and substantive presentations by UNCTAD at the Annual General Assembly of the Caribbean Association of Investment Promotion Agencies, held in Santo Domingo from 17 to 20 November 2014, and the Investment Promotion Agencies Nordic Forum, held in Geneva on 14 and 15 October 2014, which was also facilitated by UNCTAD and held in parallel with the World Investment Forum.

307. **Impacts and results:** In 2014, 47 developing countries and countries with economies in transition (including LDCs, landlocked developing countries and small island developing States) benefited from the investment promotion programme. Over 700 government officials, private sector representatives and other investment stakeholders participated in investment promotion training, conferences and other international meetings and events that UNCTAD organized. Over 40 per cent of participants in the training workshops were women. The training and international meetings were focused on the promotion of FDI in sustainable development goals, especially in attracting green investment, and FDI in clean technology and infrastructure. Feedback received from workshop participants indicated that the training had met its objectives and that participants planned to apply the learning to their work.

308. Past issues in the Investment Advisory Series remain in use. The Government of Nicaragua, through the national investment promotion agency, is using parts of the *Investment Promotion Handbook for Diplomats* (No. 6, Investment Advisory Series A, 2011) for its national investment promotion guide for diplomats, to be published in 2015. *Promoting Low-carbon Investment* (No. 7, Investment Advisory Series A, 2013) is being distributed and used in UNCTAD training workshops and conferences on the promotion of green FDI.

309. Over 2,100 investment stakeholders received the monthly SmartPromotionNetwork newsflashes, including 400 chief executive officers and senior officials from national and subnational investment promotion agencies. SmartPromotionNetwork issues from 2014 can be downloaded from the UNCTAD website on green FDI.

310. The Government of Jamaica has used the advisory report on special economic zones for informing discussions held in the Government and Parliament on new policies and legislation for energy generation and distribution in these zones. The Government of the Republic of Moldova is using the UNCTAD advisory report on an investment promotion strategy as an input for its national investment attraction strategy for 2016 to 2020.

B. E-regulations and eRegistrations

311. **Development context:** The business facilitation programme has developed a series of web-based e-government systems to help developing countries and countries with economies in transition improve their investment and business climates through transparency, simplification and the automation of rules and procedures relating to enterprise creation and operations. The e-regulations system is a turnkey e-government software allowing administrations to publish their procedures online. Once procedures are clarified through the e-regulations system, a set of 10 principles of simplification of administrative procedures helps countries cut red tape and reduce the duration, cost and

complexity of business-related procedures without changing related laws. Simplified procedures can then be computerized through another e-government system called eRegistrations.

312. **Objectives and features:** All tools and services developed by the business facilitation programme aim at the following: improving the business and investment climate and legal frameworks; lowering administrative barriers to business development, in particular for small businesses; increasing domestic and foreign investment; and promoting good governance and reducing corruption.

313. **Outputs:** The e-regulations system has been installed in two new regions in Cameroon (Douala and Garoua), three cities in Colombia (Barranquilla, Bogota and Manizales) and one new province in Argentina (Berazategui). Company registration and land acquisition procedures in seven provinces in Viet Nam have been documented in the provincial e-regulations systems. The scope of the information registered in the e-regulations system in the United Republic of Tanzania has been extended to 12 new procedures related to tourism. National e-regulations portals have been installed in Cameroon, Colombia and Viet Nam, giving access to municipal and provincial e-regulations systems and allowing for comparisons of procedures among cities and provinces in each country in terms of the number of steps, requirements, durations and costs, and an exchange of best practices and identification of possibilities for the national harmonization of procedures. The procedure comparison module of the e-regulations system is a powerful tool for highlighting the way national laws and regulations are interpreted in different cities and provinces in a country. Capacity-building sessions to train civil servants in best practices of administrative efficiency were organized in Argentina (March 2014), Cameroon (April 2014), Colombia (December 2014), El Salvador (June and October 2014), the United Republic of Tanzania (February, April, July 2014) and Viet Nam (March, August and December 2014).

314. All 47 e-regulations and eRegistrations systems are included in the Global Enterprise Registration website, a portal that lists business registration websites worldwide. The portal is divided between those countries that offer online single windows (for example the eRegistrations system), that is involving online simultaneous registration with two or more ministries as part of the business registration process, and those countries that provide only information portals describing the business registration process (for example an e-regulations system). The portal, which was officially launched in October 2014, aims to promote best practices in administrative simplification, transparency and the improvement of business registration services worldwide.

315. **Results:** The impacts of activities conducted by the programme are detailed below.

316. **Transparency:** Procedures documented in the e-regulations system are completely transparent and widely accessible in all countries where the system is operational. A total of 1,834 procedures are documented in national e-regulations systems, with 10,897 steps (interactions between a user and an administration), 10,647 forms and documents and 3,629 norms and laws accessible online. Over 1,409,400 people visited the national and provincial e-regulations sites worldwide in 2014.

317. **Simplification and harmonization:** In the United Republic of Tanzania, the number of forms required for registering a company was reduced from 12 to one, and an employer's mandatory registration with six different social security schemes can now be completed in one step online (compared to a minimum of 12 steps before UNCTAD intervention), while company registration fees can now be paid in one step instead of three. Installation of the national e-regulations system and procedure comparison tool made it possible for high-level authorities in Cameroon, Colombia and Viet Nam to detect possible areas for the harmonization of procedures based on national best practices. In Cameroon,

the number of steps for business registration will be reduced from 20 to seven in Garoua and from 13 to seven in Douala. New procedures are based on the business registration procedure in Yaoundé, which was simplified in 2013 based on UNCTAD proposals.

318. **Automation of procedures with the eRegistrations system:** eRegistrations is an e-government system, designed to set up an electronic single window and computerize simple or complex administrative procedures. It was successfully installed in the United Republic of Tanzania, allowing for the simultaneous registration of companies at all mandatory registries, that is business registration authority, tax registration authority and seven mandatory social security schemes (see http://tiw.tic.co.tz/). Prior to implementation of the system, businesses had to complete 20 steps and nine forms and wait for 30 days. Today, through the Tanzania Investment Window, companies can be created with one form and in two steps online, in a maximum of 10 days, and all registration fees can be paid at once online.

319. An online single window for business registration was implemented and inaugurated in Lomas de Zamora, Argentina (see http://elomas.gob.ar/). The number of steps for business registration has now been reduced from 17 to 2 online steps and processing time from 82 days to a maximum of 5. Two additional services have been conceived and added to the system in the first half of 2015. These new services will allow businesses to modify data related to their companies and activities, or close a business online..

320. **Exchange of good practices and South–South cooperation:** National experts in Argentina, Cameroon, El Salvador, the United Republic of Tanzania and Viet Nam have trained civil servants of their countries or provinces on the use of the e-regulations system and on UNCTAD's principles for the simplification of procedures. National experts presented country e-regulations and eRegistrations systems in regional and international seminars and expert meetings.

321. **Good governance and public participation:** The programme encourages public–private dialogue on improving the regulatory framework and its application by national administrations. Citizens and foreign and local investors have extensively used the e-regulations integrated customer relationship management system for sending simplification ideas or signalling the improper application of procedures.

C. Investment guides

322. **Development context:** The investment guides programme provides developing country governments with the necessary capacity to better market their countries or territories as investment destinations to the global investment community, so as to attract quality FDI in pursuit of their development goals.

323. **Objectives and features:** iGuides online platforms, designed by UNCTAD and the International Chamber of Commerce, provide international investors with essential up-to-date information on rules, economic conditions, procedures, business costs and investment opportunities in developing countries. The platforms are developed jointly with beneficiary governments, at their request. Content includes the following:

(a) **Locally available costs:** In addition to taxes, social contributions or the state of infrastructure, iGuides provide indicative price ranges regarding wages, rents, consumer goods and transportation costs. This hard-to-find information enables investors to build a basic business model for their projects;

(b) **Relevant licences, procedures and useful contacts:** iGuides platforms give an overview of procedures and licences required to start a business, obtain work permits, acquire land, clear imported goods or repatriate funds. Contact persons are also identified in

the most useful institutions and offices. iGuides can integrate seamlessly with existing e-regulations systems to provide full information on start-up and business procedures;

(c) **Experiences of established investors:** Whether the topic is paying taxes, hiring labour or obtaining electricity, iGuides platforms summarize the experiences of established investors and provide case studies of their investment history.

324. During a project, UNCTAD creates a national iGuides platform for the country and trains the government staff assigned to the project in researching and compiling necessary information and entering it into the system. Once completed, the platform is made publicly available to investors and an official launch is organized in the country. At the end of project implementation, the beneficiary country has its own iGuides platform and trained staff to administer and update it under the continuous guidance of UNCTAD.

325. The iGuides online platforms replace the previous practice of publishing printed investment guides. The new iGuides allow information to be kept up to date by governments and can be accomplished in a third of the time and at half the cost.

326. **Outputs:** An iGuide was completed in Nepal. iGuides were started in Bhutan, Kenya and the Oriental region of Morocco, to be completed in 2015. The iGuides for Bhutan and Nepal were prepared with the Division for Africa, Least Developed Countries and Special Programmes. In addition, a global iGuides meeting was organized during the World Investment Forum, in order to bring together beneficiary governments, to identify ways to improve the programme, share experiences and lessons learned with the platform and develop capacities in investment promotion.

327. **Results:** Unlike sit-on-the-shelf publications, iGuides are web-based only. Any element can be easily updated at any time to reflect changes in legislation, infrastructure, costs or taxes. iGuides therefore remain relevant and useful to their audience. In addition, governments, not UNCTAD, are responsible for researching, inputting and updating data based on information standards and training provided by UNCTAD and the International Chamber of Commerce. UNCTAD also organizes events for member governments to share experiences and improve the product. In 2014, this transfer of capacity benefited three key staff in Bhutan, five in Kenya, three in the Oriental region of Morroco and four in Nepal. Since the well-attended launch of the iGuide for Nepal, which received extensive press coverage, updates have been made by the Government, showing retained capacity to update the site in an effective manner and the continued relevance of the site. The global iGuides meeting held during the World Investment Forum resulted in concrete ideas to improve the programme, such as the inclusion of investor-ready projects. Forty government-level investment promotion officials benefited from the event in terms of improved capacity to identify and promote investment opportunities and better explain costs and procedures to investors.

D. Intellectual property

328. **Development context:** There is increasing recognition that intellectual property regimes should be well tailored to a country's level of development. Developing countries seek assistance in ensuring that their intellectual property regimes are supportive of specific development objectives, such as public health, the transfer of technology, access to knowledge, investment in certain sectors and innovation.

329. **Objectives and features:** In response to the mandate received from member States at the ministerial conferences in Accra and Doha, as well as requests received in conjunction with the Development Agenda of WIPO and resolution 61.21 of the World Health Assembly on a global strategy and plan of action on public health, innovation and intellectual property, UNCTAD is implementing a work programme on the development

dimensions of intellectual property rights. Under the programme, research and analysis are conducted on trade and development aspects of intellectual property, and consensus-building is facilitated in international discussions on issues at the interface between development, intellectual property and investment.

330. The overall objectives of the programme on the development dimensions of intellectual property rights include deepening the understanding in developing countries of this complex relationship; identifying ways and means of using flexibility in international intellectual property architecture to promote the technological capabilities and other public policy objectives of developing countries; examining the implications of regional and bilateral trade and investment agreements for the intellectual property policies of developing countries; and providing a forum for the exchange of experiences and best practices in the formulation of intellectual property policies oriented towards development.

331. **Outputs:** In 2014, the main outputs in this area of support were as detailed below.

1. Technical assistance: Intellectual Property Unit conducts technical assistance activities with developing countries in the integrated areas of investment, trade and intellectual property

332. **Intellectual property rights and local pharmaceutical production and supply capacity of essential medicines:** In 2005, UNCTAD was mandated by the Investment, Enterprise and Development Commission to engage in work related to the local manufacturing and supply of pharmaceutical products in the context of Millennium Development Goal 8, target 17 ("In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries").

333. In the pursuit of this mandate, UNCTAD established in 2006 a pilot programme on local pharmaceutical production with financial support from Germany (Federal Ministry for Economic Cooperation and Development) and, initially, the United Kingdom. The overall objective of the programme, implemented by the Intellectual Property Unit, is to assist developing countries, and LDCs in particular, to establish domestic intellectual property regimes that facilitate increased access to affordable medicines and, where feasible, create local or regional pharmaceutical production and supply capacities, including in cooperation with investors.

334. During the reporting period, UNCTAD conducted the following training courses and workshops for stakeholders from developing countries under this programme:

(a) One national training course for judges and intellectual property lecturers in Viet Nam, on intellectual property, public health and local pharmaceutical production, in cooperation with the Judicial Academy, in Hanoi (June 2014);

(b) Three national workshops for pharmaceutical companies in Viet Nam, on intellectual property, public health and local pharmaceutical production, in cooperation with the national Pharmaceutical Companies Association and United Nations Industrial Development Organization, in Ho Chi Minh City (16–17 June 2014), Can Tho (19–20 June 2014) and Hanoi (26–27 June 2014);

(c) One regional workshop for the East African Community, on intellectual property and local pharmaceutical production, in cooperation with the Federation of East African Pharmaceutical Manufacturers and United Nations Industrial Development Organization, in Nairobi (October 2014). This workshop was followed by three months of distance learning and concluded with a regional workshop held in Nairobi (February 2015);

(d) One regional training course for judges from Bangladesh, India and Sri Lanka, on intellectual property, public health and local pharmaceutical production, in cooperation with the National Intellectual Property Office of Sri Lanka (December 2014).

335. All courses were based on the UNCTAD publications *Using Intellectual Property Rights to Stimulate Pharmaceutical Production in Developing Countries: A Reference Guide* and *Investment in Pharmaceutical Production in the Least Developed Countries: A Guide for Policymakers and Investment Promotion Agencies* (2011).

336. **Advisory services conducted under the project:** A national workshop on the interface between intellectual property and competition in cooperation was held in Jakarta in April 2014, conducted with the Directorate General of Intellectual Property Rights of Indonesia, Commission for the Supervision of Business Competition of Indonesia and Fair Trade Commission of Japan. This workshop was co-organized with the Competition and Consumer Policies Branch.

337. **Policy coherence in local pharmaceutical production:** UNCTAD, in cooperation with the World Health Organization as the lead agency, examines the coherence of policies in selected developing countries to ensure that local pharmaceutical production increases access to medicines. Building on the first phase of this project, during which UNCTAD analysed cases of pharmaceutical technology transfer to eight selected developing countries (*Local Production of Pharmaceuticals and Related Technology Transfer in Developing Countries*, available at http://unctad.org/en/PublicationsLibrary/diaepcb2011d7_en.pdf), in the second phase of this project UNCTAD is conducting fact-finding and capacity-building activities in Bangladesh, Ethiopia, Ghana and Kenya, with the potential to serve the African market. The following activities were conducted in 2014:

(a) Joint fact-finding mission with the United Nations Industrial Development Organization to Accra (February 2014);

(b) Capacity-building workshop, held in Addis Ababa (November 2014), involving consultation with a high-level policymaker on providing coherence to national policies in the context of implementing the second Growth and Transformation Plan in Ethiopia.

338. **Intellectual property rights and biodiversity:** In 2011, UNCTAD launched a new technical assistance programme on intellectual property, biodiversity and access and benefit sharing of genetic resources and associated traditional knowledge, with financial support from Germany (Federal Ministry for Economic Cooperation and Development), in cooperation with the German Agency for International Cooperation. The programme focuses on the building of local capacities in developing countries to design and enforce domestic trade, customs and intellectual property laws in line with access and benefit sharing rules under the Convention on Biological Diversity, its Nagoya Protocol and the United Nations Declaration on the Rights of Indigenous Peoples. The following training courses or related activities were implemented during the reporting period:

(a) National workshop on the interface between international access and benefit sharing rules under the Nagoya Protocol and intellectual property rights, in cooperation with the Ministry of Commerce, held in Phnom Penh (March 2014);

(b) Advisory services on disclosure requirements for traditional knowledge provided to the Intellectual Property Office and the National Commission on Indigenous Peoples of the Philippines, held in Manila (May 2014).

339. **Development dimensions of intellectual property and other advisory reports:** Developed initially under the UNCTAD and International Centre for Trade and Sustainable Development project on intellectual property rights and sustainable development, UNCTAD produces, upon request by a developing country or LDC, advisory reports on the development dimensions of intellectual property. The objective of such a report is to provide well-researched and reasoned advice on policy and the legal and institutional frameworks of developing countries and LDCs for intellectual property rights, particularly

in relation to important development objectives such as innovation, technology, investment, competition, education and health. Developing countries specify the key development objectives they wish to examine. In addition, a report on development dimensions of intellectual property takes into consideration the bilateral, regional and international commitments the target countries have entered into and the flexibilities available to them.

340. Based on this analysis, the reports incorporate medium to long-term recommendations on how governments and other stakeholders may make these frameworks more coherent and transparent, with a view to making intellectual property rights contribute to a country's sustainable economic and human development goals, and respond to emerging global opportunities. The aim is to present an analysis and recommendations designed to promote innovation and technology transfer from abroad, as well as a pro-competitive and transparent domestic intellectual property system. The reports on the development dimensions of intellectual property take due account of the importance of maintaining an appropriate public domain and the means to pursue important public interest objectives. In November 2014, UNCTAD presented the final version of an advisory report on the development dimensions of intellectual property in Nepal and the transfer of technology, access to medicine and access and benefit sharing of genetic resources and traditional knowledge to stakeholders in Kathmandu.

341. **Cooperation with other providers of intellectual property-related technical assistance:** UNCTAD frequently participates in capacity-building workshops on intellectual property and development issues organized by other providers of intellectual property-related technical assistance. For instance, UNCTAD was invited by WIPO and WTO to contribute to the spring 2014 WIPO–WTO advanced course on intellectual property for government officials (11 March 2014), including a presentation on the nexus between intellectual property and development. UNCTAD thus continues to be actively engaged in the implementation of the Development Agenda of WIPO, as called for in its recommendation 40.

2. Research and policy analysis and WIPO Development Agenda support

342. In 2014, UNCTAD published its handbook on the interface between global access and benefit sharing rules and intellectual property, entitled *The Convention on Biological Diversity and the Nagoya Protocol: Intellectual Property Implications*. The handbook was presented at the Conference of the Parties to the Convention on Biological Diversity in Pyeongchang, Republic of Korea in October 2014. The handbook provided an overview of the international framework on intellectual property and access and benefit sharing, and served as the basis for UNCTAD–German Agency for International Cooperation workshops on biodiversity and intellectual property. It also analysed in detail issues such as the disclosure of source or origin and additional tools, positive protection of traditional knowledge, use of distinctive signs and private contract law.

343. UNCTAD continued the preparation of a database on case law in pharmaceutical patent law. The database has been made available to the German Agency for International Cooperation and to Common Sense, an organization of e-learning and training consultants in Vienna, for inclusion on an e-learning platform (see http://www.gafia.info).

3. Consensus-building

344. Consensus-building among stakeholders on issues of intellectual property is an important element of the programme's work. The substantive contributions of UNCTAD on the analysis of issues related to development and intellectual property have enabled it to become an important forum, through its intergovernmental machinery, where governments, academia, civil society and the private sector can meet to exchange ideas. An example of consensus-building activities in the intellectual property programme is the joint UNCTAD–

Joint United Nations Programme on HIV/AIDS session on "Investing in sustainable and universal access to medicines" held during the World Investment Forum and opened by the Executive Director of the Joint United Nations Programme on HIV/AIDS.

345. **Impacts and results**: A total of 478 stakeholders received training in 2014. The capacity-building courses on both public health or local pharmaceutical production and intellectual property or biodiversity have been well received, according to exit evaluations. Representatives of the national Judicial Academy of Viet Nam reiterated an interest in including the judges training course on intellectual property and public health in the formal curriculum of the academy. An alumnus of a 2013 course served as lecturer in a national training course on intellectual property and access and benefit sharing held in Cambodia in March 2014. Judges from India and Sri Lanka expressed an interest in national follow-up training courses for judges on pharmaceuticals and access to medicines. The newly established Food, Beverage and Pharmaceutical Industry Development Institute in Ethiopia benefited from a policy coherence workshop held in the country, in terms of collecting feedback on the current policy environment. The institute also compiled a list of key intervention areas for future action and requested further assistance from UNCTAD in identifying key policy areas for intervention and goals in the area of investment. UNCTAD continues to provide input to ongoing efforts in Ethiopia aimed at developing a coherent policy environment for improving access to medicines.

346. **Research**: The English-language database on intellectual property cases prepared by UNCTAD will play an important role in future training activities for judges in the course of 2015–2016. The database will complement the UNCTAD reference guide by providing practical examples for illustration. The intellectual property and biodiversity handbook has been used as the basis for various training activities in developing countries and serves as the substantive basis for the distance learning course on this topic.

347. **Consensus-building**: The well-attended joint UNCTAD–Joint United Nations Programme on HIV/AIDS session held during the World Investment Forum provided an opportunity for UNCTAD to reach out to a new partner in Geneva for potential future cooperation (for media coverage, see for example http://www.ip-watch.org/2014/10/16/unctad-forum-local-drug-manufacturing-a-key-to-universal-health-coverage/).

IX. Cluster IX: Enterprise development

Lead entity: Division on Investment and Enterprise

348. The programmes under this cluster (table 9) aim at an enhanced understanding and capacity in beneficiary countries to develop policies aimed at stimulating enterprise development.

Table 9
Enterprise development

Project number	*Short title*	*Period covered*	*Source of fund*
COS/0T/CAQ	Design and implementation of an extra-walls incubator for cultural enterprises in the city of Limon	2013–	Costa Rica
SAU/0T/CBI	Empretec Saudi Arabia	2014–	Saudi Arabia

Project number	*Short title*	*Period covered*	*Source of fund*
URT/0T/DAK	United Nations inter-agency cluster "Delivering as one" joint programme on market value chains, United Republic of Tanzania	2014–	United Nations Office for Project Services
ZAM/0T/CAU	"Delivering as one" joint programme on green jobs, led by the International Labour Organization	2014–	International Labour Organization (ILO)
INT/0T/7CA[a]	Empretec networks to promote entrepreneurship and enterprise development	2007–2014	Germany
INT/0T/BBV	Strengthening SMEs in developing countries and countries with economies in transition	2012–	Private sector companies
INT/0T/BCP	Accounting and Corporate Governance Trust Fund	2012–	Germany
INT/0T/DCD	Empretec Women in Business Awards ceremony	2014–	Germany

[a] Operationally but not financially completed or fully completed in 2014.

A. Entrepreneurship and small and medium-sized enterprise development: Empretec

349. **Development context:** Entrepreneurship is at the core of the post-2015 development agenda, as it can make an important contribution to sustainable development by driving economic growth, promoting productive capacity, employment and decent work to eradicate poverty, improving social conditions and contributing to addressing environmental challenges and engendering inclusive outcomes for disadvantaged groups, including the poor, women and youth. The key role of entrepreneurship in the development agenda is due to the contribution that enterprises, in particular micro enterprises and SMEs, make to economic growth. They are key drivers of job creation; in developing countries in Africa, Asia and Latin America, they provide two thirds of all formal jobs and in low-income countries in sub-Saharan Africa, they provide up to 80 per cent of total employment. In addition, the internationalization of SMEs can play an important role in promoting growth and trade in developing countries. The role of entrepreneurship policies in creating job opportunities and engendering inclusive outcomes for inclusive growth is at the core of UNCTAD's assistance.

350. **Objectives and features:** Entrepreneurship policies have a multifaceted nature and linkages with other areas, including education and skills development, technology and innovation, finance and capacity-building. The need for a comprehensive framework for entrepreneurship promotion has been stressed in several intergovernmental and expert meetings organized in the past few years and reinforced by two resolutions on entrepreneurship for development adopted by the General Assembly in 2012 and 2014. These resolutions call upon the relevant organizations and bodies of the United Nations system to further recognize and integrate entrepreneurship in their development polices and, in cooperation with Member States, improve regulatory environments and policy initiatives that facilitate entrepreneurship, as well as to identify indicators that can be used to evaluate the success of entrepreneurship policies. Given UNCTAD's flagship role in promoting entrepreneurship and in supporting micro enterprises and SMEs, UNCTAD was

tasked with several key initiatives to support these resolutions, including the preparation of a background note for the General Assembly.

351. To assist policymakers, UNCTAD launched the Entrepreneurship Policy Framework in 2012. Complementing its policy advice work is UNCTAD's continued engagement in fostering individual entrepreneurial capabilities through its Empretec programme. The behavioural approach of Empretec and institutional capacity-building efforts at the country level contribute to encouraging employment creation, investment and the creation of linkages between SMEs and transnational corporations.

352. **Outputs and results:** Following the launch of the Entrepreneurship Policy Framework, several countries, including Brazil, Ghana, Ecuador, Nigeria, Panama and Zimbabwe, implemented the framework, with some variation across countries. In Brazil, the federal Government developed 11 areas for intervention. In Nigeria, the federal Government revised its national policy on micro enterprises and SMEs and entrepreneurship strategy, based on a review process led by the Federal Ministry of Industry, Trade and Investment. Panama developed 11 recommendations for entrepreneurship policy in three key areas. Implementation of the framework in Ecuador focused on the identification of gaps and the prioritization of entrepreneurship objectives. A bottom-up approach led by a public–private partnership, the Alliance for Entrepreneurship and Innovation, engaged key stakeholders in the process, which culminated in April 2014 with the publication of Ecuador's entrepreneurship and innovation strategy for 2020 (available at http://aei.ec/wp/wp-content/uploads/2015/06/INFOGRAFIA_ESTRATEGIA.pdf and http://aei.ec/estrategia-de-emprendimiento-e-innovacion-2020/.) With regard to implementation of the framework in Ghana, at the end of 2011, UNCTAD and the Ministry of Trade and Industry of Ghana engaged in a preliminary review of the entrepreneurial environment in Ghana with stakeholders from civil society and academia, in the context of Ghana's Coordinated Programme of Economic and Social Development Policies 2014–2020 and National Medium-Term Private Sector Development Strategy 2010–2013. At the request of the Ministry, UNCTAD formulated an approach to facilitate the development of an entrepreneurship strategy in Ghana based on the Entrepreneurship Policy Framework, and developed a methodology to assess Ghana's entrepreneurship ecosystem, including gaps and priority measures to address them. A joint workshop with key stakeholders was organized in November 2013 by UNCTAD and the Ministry and a perception survey was conducted based on the UNCTAD methodology. The workshop concluded that there was a positive image of entrepreneurs and entrepreneurship in the country and that the Government emphasized the promotion of this image. Of six priority policy areas, "promoting awareness and networking" was ranked the highest.

353. Youth entrepreneurship has become a priority in the development agenda of many countries, which are faced with the challenge of youth bulge and unemployment. UNCTAD, in collaboration with the Commonwealth Secretariat, has developed a document entitled *Policy Guide on Youth Entrepreneurship*, aimed at supporting policymakers in designing policies that will unleash the potential of youth entrepreneurship, thereby providing a foundation for promoting job creation through the development, expansion and growth of youth-led enterprises. In collaboration with Youth Business International, two workshops were organized, in Buenos Aires (19–21 May 2014) and London (12 February 2014) with the aim of engaging institutions in youth entrepreneurship.

354. **Highlights of 2014 Empretec activities:** Since its inception in 1988, Empretec has been launched in 36 countries and has been assisting entrepreneurs through local market-driven business support centres (Empretec national centres). In 27 years of activity, over 335,000 entrepreneurs have attended Empretec workshops through the existing network of Empretec centres worldwide. In 2014, Empretec started activities in the Gambia and Saudi Arabia, and expanded its pool of graduates in the countries that had recently joined the

network, such as India, the Russian Federation, the United Republic of Tanzania and Zambia. A scale up of the programme also took place in Ethiopia, where the Government adopted the Empretec methodology for newly established entrepreneurship development centres. UNCTAD is following up on official requests for Empretec installation from Cameroon, Kenya and Oman, and is assisting the Government of Ethiopia in transferring the programme to a public sector-led counterpart, in collaboration with the United Nations Development Programme.

355. Highlights under this area of support are detailed below.

1. Empretec in Saudi Arabia

356. Saudi Arabia joined the Empretec network in 2014 with support from the Saudi Credit and Savings Bank, the local implementing partner for the programme. UNCTAD, with the assistance of the Business Development Centre in Jordan, master trainers and national trainers conducted eight Empretec workshops in Riyadh, Jeddah and Dammam, benefiting 179 entrepreneurs, of which 25 were women. The first seven workshops were offered to men entrepreneurs; the eighth was for women entrepreneurs and was the first in a series of seven to be delivered throughout 2015. Under the supervision of International Master Trainers from Brazil, two National Master Trainers from Jordan were recommended for certification at the International Master Trainer level.

2. Empretec country activities in Africa

357. The Ministry of Trade, Industry, Regional Integration and Employment of the Gambia, in collaboration with UNCTAD, the United Nations Development Programme and the Investment and Export Promotion Agency of the Gambia, launched the Empretec programme in the Gambia. The three-year project, part of the Gambian Vision 2020, aims to create employment opportunities for women and youth. Among its main objectives is to train around 800 entrepreneurs in the next three years. The first Empretec workshops were held in September and October 2014.

358. The overall objective of the entrepreneurship development programme in Ethiopia is to bring about a transformational change in unleashing the growth potential of micro and small-scale enterprises by 2015 through entrepreneurial skill training and the provision of a comprehensive range of business advisory services. The project, led by the United Nations Development Programme, in support of the Government of Ethiopia, aims to identify and select growth-oriented enterprises and potential entrepreneurs, unemployed youth and women entrepreneurs, and to provide them with entrepreneurship training and a comprehensive and integrated range of business development services, in Addis Ababa and all 11 regions in the country. The Empretec model has been selected as the main methodology for entrepreneurship training in the country and is being implemented through Empretec in Ghana, which has been delivering a number of Empretec workshops in the country, assisting entrepreneurs and training a number of local trainers, who will be certified under UNCTAD supervision in 2015.

359. Empretec training activities continued in the United Republic of Tanzania and Zambia, where local training teams increased the number of entrepreneurs assisted to 484 and 231, respectively. In both countries, training activities were held in areas outside of the capitals and were increasingly associated with business linkages interventions, in collaboration with local and international partners.

360. Since the inception of the Empretec programme in South Africa, the hosting institution, Seda Learning Academy, has assisted more than 650 South African SMEs to enhance their entrepreneurial competencies for running successful global businesses.

3. Empretec country activities in Latin America

361. The Empretec programme was officially launched in Ecuador through the signing of a memorandum of understanding between UNCTAD and the Corporation for Economic Promotion (Corporación de Cooperación Económica - Conquito) in October 2014. The first workshops were conducted in collaboration with the Empretec centre in Argentina. Local trainers have started their certification processes.

362. A regional training workshop in Buenos Aires in April 2014 attracted 26 Empretec trainers from Empretec centres in Argentina, Colombia, the Dominican Republic, Ecuador, El Salvador, Guatemala, Uruguay and the Bolivarian Republic of Venezuela. A regional team of certified trainers from these countries facilitated the workshop, which provided an opportunity to share lessons learned from training experiences in different centres, and their knowledge about the theory and pedagogical background of the Empretec methodology, and to discuss new developments. The workshop confirmed the adoption of the revised Empretec training material by the 14 centres currently active in the region.

363. The Empretec centre in Brazil, hosted by Sebrae, delivered over 300 Empretec training workshops, serving 6,000 entrepreneurs in 2014.

364. The Empretec centre in the Dominican Republic was incorporated into the Ministry of Industry and Trade and received full support from the Government to launch a set of workshops to foster entrepreneurship, serving various regions.

365. Finally, in 2014, Empretec centres in Latin America, namely in Argentina, Colombia, Panama, Peru and Uruguay, delivered Empretec training workshops as planned, in close collaboration with UNCTAD.

4. Empretec country activities in India, Romania and the Russian Federation

366. The Government of Romania continued its support for Empretec activities in 2014, including incorporation of Empretec into its national framework for assisting the SMEs sector and developing entrepreneurship in the country. Eight Empretec training workshops were organized with the support of the Government in 2014. In addition, two self-funded Empretec training workshops were held in 2014, complementing the training offered from Empretec in Romania.

367. Empretec in the Russian Federation conducted six workshops in 2014, bringing the total number of Empretec training workshops to 16 since the inception of the programme. One of the workshops was delivered to young managers of the Central Aerohydrodynamic Institute in Zhukovsky. Since the first successful experience in 2011, the institute has made the Empretec workshops an annual training activity for its young professionals, to enhance their efficiency, motivation and business skills, and to facilitate commercial use of its scientific products and innovations. In addition, Empretec in the Russian Federation, jointly with the Academy of Entrepreneurship, won a government tender in Moscow and was awarded a State contract for the delivery of five workshops for owners and employees of Moscow-based small companies. A three-day train the trainer workshop was organized for the team of trainers and trainers in training in the Russian Federation. With three national certified trainers and four trainers in training in the certification process, Empretec in the Russian Federation is ready to start offering training in Russian in 2015.

368. In 2014, Empretec in India continued its training activities and successfully organized four Empretec training workshops in the country (two in Bangalore and two in Kolkata), preparing the ground for in-country expansion, and increasing the total number of training workshops to six since the beginning of the programme.

5. Empretec country activities in Costa Rica

369. Under a loan agreement between the Government of Costa Rica and World Bank, a project was initiated for the development of the port of Limon that relies on the following four strategic components: cultural urban revitalization; local economic development; local government and strategic planning of the port city; improvement of the port environment.

370. The Ministry of Economy, Industry and Commerce of Costa Rica coordinated the second component on local economic development, aimed at promoting an entrepreneurial culture, creating new enterprises and strengthening existing SMEs in the creative industry.

371. In this framework, UNCTAD carried out a project entitled "Design and implementation of an extra-walls incubator for cultural enterprises in the city of Limon". The project included three phases, namely an initial diagnostic activity, a series of specific activities aimed at improving the competitiveness of selected cultural enterprises, and a series of follow-up activities, including technology upgrading and marketing activities. In the first phase, a diagnostic study was conducted to identify key cultural cluster segments (for example arts, crafts and tourism) based on the professional experience of COMPETITIVENESS® (a consulting firm specialized in cluster reinforcement initiatives in Europe). In the second phase, a strategic plan was launched for the creation of an extra-wall cultural entrepreneurship incubator, based on the methodology of the City of Knowledge in Panama. In addition, two pilot Empretec workshops were conducted in Limon and Puerto Viejo de Talamanca to develop new and strengthen existing cultural enterprises, based on the methodology of Empretec and the Empretec centre in Panama. In the third phase, an action plan was prepared, highlighting the series of follow-up activities recommended for technology upgrading, based on the tools of the City of Knowledge in Panama. A marketing initiative of cultural tourism in Limon was also conducted, including training in the use of information technology to promote cultural tourism, based on the experiences of the Institute for Cultural Entrepreneurship in the United States.

6. Empretec global network activities

372. Empretec Women in Business Awards are granted every two years by UNCTAD to women entrepreneurs who have benefited from Empretec training. The awards have a proven impact in creating business opportunities for nominees and providing positive role models for other aspiring women entrepreneurs. The 2014 ceremony was held during the World Investment Forum and awarded three entrepreneurs from Argentina, Jordan and Zimbabwe. In line with the theme of the forum (investing in sustainable development), two additional recognitions were awarded to green and social entrepreneurs from Argentina and Jordan. The ceremony reflected the contribution of women to development and was one of the most spirited and inspiring events during the forum. Participants joined in celebrating the finalists, who highlighted their activities at the Empretec booth in the forum's "investment village".

373. The twenty-first Empretec Directors Annual Meeting convened 16 representatives from 14 countries and provided a unique opportunity to exchange experiences. The meeting was organized in parallel with the World Investment Forum, during which directors had the opportunity to interact with over 3,000 participants in the different sessions relevant to investment and entrepreneurship. The main topics discussed during the annual meeting were the strategic issues the Empretec network would focus on in the year to come and opportunities offered by recent activities by UNCTAD in the entrepreneurship policy area and through international partnerships with leading organizations active in entrepreneurship promotion.

374. To celebrate Global Entrepreneurship Week 2014, UNCTAD, in collaboration with the International Trade Centre and WIPO, organized a one-day training workshop in

Geneva on creativity, innovation and intellectual property. The session targeted university students and practitioners in the field of entrepreneurship in Switzerland and was aimed at unleashing their creativity, innovation and entrepreneurial spirit. The workshop included presentations, coaching and group activities on key youth entrepreneurship competencies.

375. In March 2014, the first Empretec Global Summit took place in Moscow, which also hosted the Global Entrepreneurship Congress. The summit brought together eight Empretec directors, Empretec graduates and entrepreneurs from different countries, to engage in an exchange of experiences, and provided an opportunity to network with participants at the Global Entrepreneurship Congress and to facilitate their business links.

376. **Impacts:** The Entrepreneurship Policy Framework has rapidly become a reference for several countries in the process of reviewing national policies for SMEs and enterprise development. One of the most important messages emerging from these country experiences was that entrepreneurship policies required a holistic and coherent approach to ensure impactful results, and that the methodology and tools in the framework helped policymakers design initiatives, measures and institutions for entrepreneurship promotion across the six priority areas indicated in the framework. Particularly encouraging, in this respect, is the experience of Ecuador, which produced its national entrepreneurship and innovation strategy for 2020 in a short period of time.

377. Empretec workshops are always well received by participants, who express high levels of appreciation for the type of training they receive and the impact it has on their lives. For example, many of the participants in the workshop in Saudi Arabia noted that it was the best workshop they had attended in their lives, that it was a turning point and that it had enlightened them.

378. Another significant example of the impact Empretec has on entrepreneurs may be seen in Brazil. The Empretec centres in Brazil studied the results of an Empretec training assessment conducted in 2014 on a sample of 3,000 participants who had attended the workshop the year before. Besides a positive rating in terms of satisfaction and the usefulness of the workshop (the average level of appreciation was 9 out of 10), the assessment provided insights on three subsets of respondents, highlighting findings in relation to participants who were not entrepreneurs at the moment they attended the workshop, participants who started businesses after the workshop and participants who already had businesses before attending the workshop. More specifically, 96 per cent of participants declared that they had applied what they learned during the workshop in their professional lives. Attending the workshop had influenced the decision to start a business in almost two thirds of those who were not entrepreneurs when they started the training, while 72 per cent of these declared that the workshop had helped them with planning and goal setting. Of those who had already had a business before the workshop, 60 per cent reported an increase in their monthly turnovers after attending the training and working on the competencies learned.

379. Business performance indicators measured in some of the Empretec beneficiaries in Jordan and South Africa, one year after their participation in the training workshop, showed improvements in several areas. For example, among surveyed businesses in Jordan and South Africa, respectively, sales increased by 78 per cent and 36 per cent, employment grew by 53 per cent and 50 per cent and profitability by 82 per cent and 40 per cent.

380. Training opportunities for trainers from different countries in the same region, such as the workshop in Argentina, create an environment for the exchange of experiences and knowledge sharing to benefit the Empretec regional networks. Empretec in the Dominican Republic, with the support of the Ministry of Industry and Trade, offered to host the next regional workshop in 2015 in Punta Cana.

381. One of the major events that provided visibility to the Empretec programme was the participation by one of the Empretec Women in Business Awards 2010 winners in the TEDx event organized by the United Nations in Geneva. A graduate of Empretec in Uganda, the speaker was selected along with other high-profile figures to present her story and engage in a lively debate, webcast live in 15 countries.

382. The three winners of the Empretec Women in Business Awards 2014 were invited to participate in the fifth Qatar International Businesswomen Forum in December 2014, at which over 1,000 participants from more than 40 countries gathered to discuss the topic of women and business.

B. Business linkages[9]

383. **Development context:** UNCTAD advises member States on strategies to maximize the benefits generated by foreign investments for the local economies in which they take place. Experience shows that, given the right policies and business environment, such benefits can be significant in terms of employment creation and contribution to a country's economic development. By pursuing active strategies to capitalize on this situation, developing countries and countries with economies in transition can actually turn business linkages into a source of sustainable competitive advantage for local firms and investors alike, promoting technology upgrading, flexibility and entrepreneurship, and ultimately raising the productivity of entire economic sectors.

384. **Objectives and features:** As evidenced by the results of the UNCTAD Business Linkages Programme in 10 developing countries, business linkages can offer substantial and mutually beneficial win-win opportunities to foreign affiliates and domestic firms. They can allow domestic SMEs, including small rural enterprises, to integrate and participate in international production systems and offer an effective way for domestic SMEs to upgrade through technology transfer and knowledge and skills acquisition and improve their business and management practices and facilitate access to finance and markets. Common challenges faced by local suppliers, such as limited capacity to provide inputs or services meeting the standards of transnational corporations or developing the right entrepreneurial mindset to do business with large foreign companies, are among those addressed by the intervention of the Business Linkages Programme.

385. **Outputs and impacts:** The outputs from this area of support are detailed below.

386. **United Republic of Tanzania**: UNCTAD has been working with the Tanzania Investment Centre, the implementing partner of the Business Linkages Programme in the country, since 2009. In early 2014, the Tanga Fresh Ltd. dairy company formalized its engagement in the programme by signing a memorandum of understanding with the Investment Centre for a pilot project with milk suppliers in the area. To ensure the supply of quality products in a consistent and reliable manner, UNCTAD and the Investment Centre are assisting the company with a comprehensive intervention based on three pillars, namely entrepreneurship development training, business health checks and training in farming as a business. Two entrepreneurship development workshops were held in May and November 2014, with the participation of 56 farmers, led by a team of certified national Empretec trainers. A mindset change has been observed in the farmers who attended the workshops, as they quickly incorporated value adding activities to transform them from suppliers to business owners. In addition, sensitization activities have taken place via word

[9] Mention of any company, firm, or transnational or multinational corporation does not imply endorsement by the United Nations or UNCTAD.

of mouth and through the company's sponsored radio programme. Within the framework of a State Secretariat for Economic Affairs and United Nations joint programme in the organic agriculture and responsible tourism sectors, UNCTAD prepared a business climate review for sustainable tourism, released in December 2014, whose recommendations and findings will be used for a public–private sector dialogue workshop to be organized in 2015 together with national stakeholders and international agencies participating in the joint project.

387. **Zambia:** UNCTAD and the Zambia Development Agency, the implementing partner of the Business Linkages Programme in the country, started the implementation phase of the Zambia Green Jobs Programme, which will end in 2017. Following efforts in 2013, two entrepreneurship training workshops for small-scale contractors and micro enterprises and SMEs in the construction sector were jointly organized with the Development Agency. The purpose of the workshops was to enhance the capacity of small-scale suppliers and contractors to do business with large enterprises. The workshops were held between July and August 2014 in the Copperbelt and North-Western mining provinces, with the participation of 52 entrepreneurs, led by two national Empretec trainers, who were assisted by a trainer in training and in the process of certification. Subsequently, with the objective of strengthening institutional capacity to develop the Business Linkages Programme in the country, the Agency participated in workshops and seminars organized in October. As a learning and networking opportunity, Agency staff attended construction fairs in Munich, Germany and Bologna, Italy and the World Investment Forum (with a specific focus on investment and linkages policies for strategic FDI attraction) and visited the Lafarge Research Centre in Lyon, France. As a result of these efforts, a memorandum of understanding between the Zambia Green Jobs Programme and Lafarge is being finalized, securing joint sponsorship for the construction of demonstration residential units, which may eventually lead to a commercial offer of 6,000 affordable houses in the copper mining area.

C. Corporate transparency, accounting and reporting

388. **Development context:** Global economic opportunities, as well as uncertainties, transcend national borders. Investors need high-quality information to make sound decisions. A strong accounting infrastructure fosters the issuance of high-quality corporate reports, and has become a critical facilitator for attracting investment, allocating scarce resources and promoting financial stability. In the past decade, there has been a clear trend towards the adoption of international standards and codes by member States. However, the effective implementation of such standards and codes remains a challenge for many developing countries and countries with economies in transition, as they lack some of the critical elements of corporate reporting infrastructure, from weaknesses in their legal and regulatory frameworks, to lack of human capacity and relevant support institutions. Enabling a country to evaluate and monitor its progress towards convergence with respect to global standards and codes of corporate reporting, and to analyse the outcomes and impacts of its accounting reforms, particularly the effectiveness and efficiency of newly introduced policies, regulations and various technical assistance programmes, is crucial. In the face of this challenge, there is a need for coherent efforts to build capacity in this area, and for tools to measure and benchmark progress on addressing identified gaps and priorities for further action.

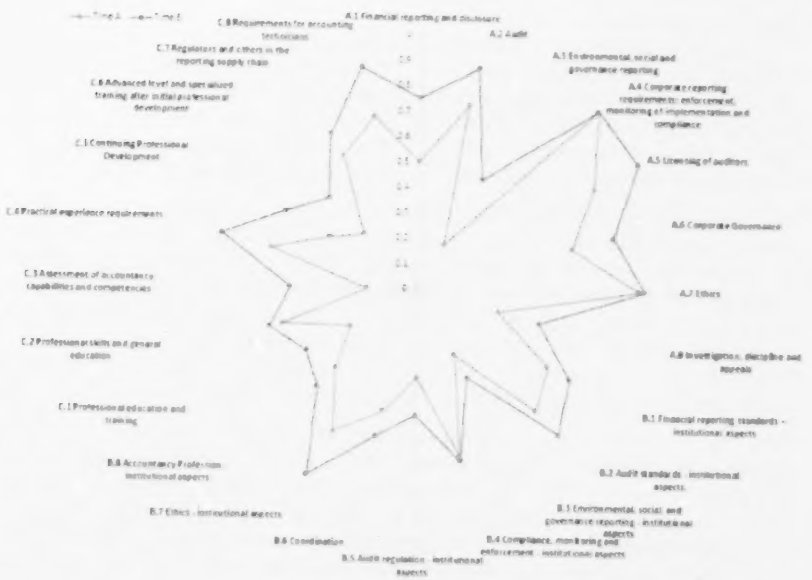
389. **Objectives and features:** The Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting is geared towards assisting Member States of the United Nations with harmonizing their accounting practices with international standards. The Intergovernmental Working Group of Experts does this by developing guidance, facilitating an exchange of views and best practices, and conducting research and providing technical assistance on corporate reporting issues related to accounting, auditing,

corporate governance and corporate social responsibility. This work is conducted through the annual sessions of the Intergovernmental Working Group of Experts, as well as associated workshops and round tables, research activities and technical assistance projects.

390. **Outputs and results:** The Accounting Development Tool enables beneficiary countries to voluntarily assess their accounting infrastructure, including their national institutions, regulations, human resources and processes against international requirements for high-quality corporate reporting. The Tool promotes an open and constructive dialogue among all stakeholders involved, which is required for conducting successful accounting reforms. The Tool helps in the design and implementation of sustainable strategies and action plans towards convergence with international standards and practices. In addition, the Tool provides a quantitative benchmark of a country's position at a particular point in time and its progress toward greater implementation of international standards and practices. Finally, the Tool allows for the dynamic generation of graphical quantitative information at different levels of detail captured in the form of a spider graph, which pictorially discloses both the strengths and weaknesses of an accounting system with regard to international benchmarks (figure 1). This provides countries with an overall picture of the accounting infrastructure and also enables them to analyse the results of the assessment in more detail. The graph allows for the comparison of a country's position at two different periods of time and outlines areas where further improvement is required.

Figure 1

Accounting Development Tool


A.1 Financial reporting and disclosure
A.2 Audit
A.3 Environmental, social and governance reporting
A.4 Corporate reporting requirements: enforcement, monitoring of implementation and compliance
A.5 Licensing of auditors
A.6 Corporate Governance
A.7 Ethics
A.8 Investigation, discipline and appeals
B.1 Financial reporting standards - institutional aspects
B.2 Audit standards - institutional aspects
B.3 Environmental, social and governance reporting - institutional aspects
B.4 Compliance, monitoring and enforcement - institutional aspects
B.5 Audit regulation - institutional aspects
B.6 Coordination
B.7 Ethics - institutional aspects
B.8 Accountancy Profession - institutional aspects
C.1 Professional education and training
C.2 Professional skills and general education
C.3 Assessment of accountants capabilities and competencies
C.4 Practical experience requirements
C.5 Continuing Professional Development
C.6 Advanced level and specialized training after initial professional development
C.7 Regulators and others in the reporting supply chain
C.8 Requirements for accounting technicians
0.9
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0.3
0.2
0.1
0

391. An assessment of a national accounting infrastructure using the Accounting Development Tool provides a road map identifying gaps, weaknesses and areas needing attention in the key pillars of the country's accounting infrastructure. It also helps key stakeholders and decision-makers by facilitating communications, coordination and cooperation, and providing quantitative findings that contribute to prioritizing goals, approaches and strategies towards capacity-building. Results can be used as valuable

feedback by all key stakeholders, including governments, public and private financial institutions, researchers, standard setters and policymakers.

392. The Accounting Development Tool also features an Internet-based platform, currently available in English, French, Spanish and Russian (see http://adt.unctad.org). In 2014, the platform was migrated from an external provider to an internal server and is now fully managed by UNCTAD. Assessments using the Tool may be conducted using this online platform.

393. The thirty-first session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting was held in Geneva from 15 to 17 October 2014, in parallel with the World Investment Forum. High-level government officials, policymakers and leading international experts deliberated on the contribution of sound corporate reporting to financial stability and economic development and the important role that the Intergovernmental Working Group of Experts had played in this area for the last 31 years. The main item on the agenda of the session concerned good practices of monitoring and enforcement and compliance mechanisms in the context of achieving high-quality reporting. The Intergovernmental Working Group of Experts also discussed additional topics, including the capacity-building needs of member States and applications of the Accounting Development Tool. Feedback from countries that had used the Tool, including Belgium, the Congo, Côte d'Ivoire, Ecuador, Kazakhstan, the Sudan, Ukraine and Viet Nam, was discussed. Delegates agreed on the usefulness of the Tool in assessing their human-capacity, regulatory and institutional arrangements, in identifying gaps by benchmarking against globally recognized standards and codes and in developing action plans. Delegates requested UNCTAD to roll out the Tool more widely. The session also discussed human resources development challenges in more detail and called on UNCTAD to consider appropriate updates of the UNCTAD model accounting curriculum. Delegates also called on UNCTAD to examine the challenges that arise in implementing international public sector accounting standards and to recommend to member States good practices to consider. Finally, delegates requested UNCTAD to conduct research on good practices on compliance, enforcement and monitoring issues in relation to corporate reporting.

394. The Intergovernmental Working Group of Experts concluded the session by reaching agreed conclusions on all the topics discussed. Delegates agreed on the critical role that the monitoring of compliance and enforcement mechanisms plays in the effective implementation of global standards and codes for high-quality corporate reporting. The session called on regulators and enforcement authorities as well as other stakeholders around the world to make concerted efforts towards building efficient monitoring of compliance and enforcement mechanisms, with a view to ensuring the consistent implementation of international standards and requirements on corporate reporting.

395. In conjunction with the thirty-first session, the UNCTAD secretariat organized a workshop with the theme "Future direction of the corporate reporting model", held in Geneva on 13 October 2014. The workshop attracted over 100 participants and featured globally recognized experts, who addressed the theme from different perspectives. Experts also discussed recent trends in corporate reporting models and debated on different ways to create a cohesive approach to incorporate financial and non-financial reporting to enhance the positive impacts of enterprises on sustainable development and to contribute to the attainment of sustainable development goals.

396. Throughout 2014, UNCTAD contributed to committee and board meetings of the International Federation of Accountants, including the International Education Standards Board and the Professional Accountancy Organization Development Committee. In the area of environmental, social and corporate governance disclosure, UNCTAD continued contributing to the work of the International Integrated Reporting Committee, to the United Nations Environment Programme Finance Initiative and to an informal working group on

climate change-related reporting in partnership with the Climate Disclosure Standards Board, the Global Reporting Initiative and OECD.

397. **Impacts:** For more than 31 years, the Intergovernmental Working Group of Experts has been providing member States with guidance and toolkits on a number of corporate reporting topics. These products have had a positive impact in assisting member States in implementing widely recognized good practices in the areas of financial reporting (including the implementation of international financial reporting standards and accounting for SMEs) and non-financial reporting (including corporate governance disclosure and environmental and corporate social responsibility reporting). UNCTAD work on financial issues has provided a basis to start developing an action plan to build their accountancy infrastructure.

398. UNCTAD work on corporate governance disclosure, based on the UNCTAD benchmark of good practices, has allowed a number of member States to further develop their institutions for the promotion of such disclosure. This work has been praised by the World Bank as a "valuable exercise" that has changed the World Bank's approach to handling these issues.

399. **Evidence of impacts:** This may be illustrated on several levels, as detailed below.

400. **Member State participation in sessions of the Intergovernmental Working Group of Experts:** The thirty-first session involved over 280 participants from approximately 80 countries and featured 40 speakers over three days. The Intergovernmental Working Group of Experts is the largest expert meeting of UNCTAD and one of the longest standing groups of experts in the United Nations. The level of attendance in 2014 suggests a high relevance of the work of the Intergovernmental Working Group of Experts in impacting and shaping the international agenda on accounting and reporting issues, including by bringing the views of developing countries to standard setters.

401. **Commitment and endorsement of Accounting Development Tool recommendations by countries, and the implementation of recommendations through the design of post-assessment action plans:** At the thirty-first session, delegates reiterated the importance of the Accounting Development Tool for facilitating an integrated and systemic approach to building solid national human-capacity, regulatory and institutional foundations for high-quality reporting; the consistent and efficient implementation of globally recognized accounting and reporting standards, codes, benchmarks and good practices along an entire corporate reporting supply chain; and breaking barriers and enhancing policy dialogue and trust among major stakeholders in the areas of accounting and reporting. Specific examples include the following:

(a) Director General of Federal Public Service Economy in Belgium highlighted that the Accounting Development Tool had already provided some key benefits in the country, including providing a clear picture of the status of corporate reporting in relation to key international requirements and opening dialogue among key stakeholders in Belgium dealing with corporate reporting matters. The Director General further noted that the findings of the Tool would be useful in implementing legislative reforms;

(b) Secretary-General of the Permanent Council of Accounting of the Congo indicated that the country could learn from the recent experience of Côte d'Ivoire in applying the Accounting Development Tool and that the Congo was interested in funding and applying the Tool in 2015;

(c) Secretary-General of the National Council of the Order of Public Certified Accountants and Chartered Accountants of Côte d'Ivoire underscored the conceptual,

forward-looking and stakeholder consensus-driven nature of the Accounting Development Tool as a factor in leading towards concrete outcomes;

(d) Undersecretary of Governmental Accounting in Ecuador underlined that one of the important outcomes of the Accounting Development Tool exercise was the ongoing interaction generated by the Tool among key regulators in the country;

(e) President of the Academy of Financial Management under the Ministry of Finance of Ukraine highlighted that the country was in the process of harmonizing applicable regulations with European Union requirements and that the Accounting Development Tool had been useful in facilitating the reform process. The Tool summary reports prepared by Ukraine also showed active to strong involvement of stakeholders from public and private sectors in assessment exercises, leading to a consensus-based assessment of the national accounting infrastructure and identification of key areas for a plan of action.

402. **Requests from member States for assessments of their accounting infrastructure:** Official requests were received for Azerbaijan, the Democratic Republic of the Congo, Kazakhstan, Madagascar, Nigeria, Trinidad and Tobago and Ukraine.

X. ClusterX: Globalization and development strategies

Lead entity: Division on Globalization and Development Strategies

403. The programmes under this cluster (table 10) aim at contributing towards the achievement of the expected accomplishments of the strategic framework related to increased understanding of the global economic environment and of policy choices at the national and international levels, improved empirical and timely statistics and, in the case of the Occupied Palestinian Territory, improved policy and institutional capacities and enhanced international cooperation for the recovery and sustained development of the economy. The activities of the Virtual Institute aim at strengthening the teaching and research capacities of academic institutions in developing countries and countries with economies in transition to contribute to enhanced knowledge in the fields of trade, finance and investment and the links of these fields to development.

Table 10
Globalization and development strategies

Project number	*Short title*	*Period covered*	*Source of fund*
PAL/0T/BAL	Capacity development for facilitating Palestinian trade	2011–	Canada
URT/0T/BBM	"Delivering as one" United Republic of Tanzania project	2011–	"One United Nations"
INT/0T/6AP	Trust Fund for the UNCTAD Virtual Institute on Trade and Development	2006–	Multi-donor
INT/0T/8CF	Promoting responsible sovereign lending and borrowing	2008–	Norway
INT/0T/BBF[a]	The South and the new paths of development in the twenty-first century	2011–2014	Rockefeller Brothers Fund

Project number	*Short title*	*Period covered*	*Source of fund*
RAF/0T/BCR	UNCTAD and West African Economic and Monetary Union, projet pour la mise en place des statistiques de commerce international des services	2014–	West African Economic and Monetary Union
ROA-2939 (AR8)	Strengthening capacities of African countries in boosting intra-African trade	2014–	Development Account
ROA-2911 (P8)	Strengthening pro-growth macroeconomic management capacities for enhanced regional financial and monetary cooperation among selected countries of Latin America and the Caribbean and West and Central Africa	2014–	Development Account

[a] Operationally but not financially completed or fully completed in 2014.

A. Development Statistics and Information Branch

404. The secretariat is continuously taking actions to assist developing countries that have decided to improve their statistical capacity in the area of trade and development. In supporting countries in the collection and compilation of statistics, UNCTAD provides technical expertise and develops partnerships to meet technical cooperation demands.

405. Within the framework of the three-year project on the development of statistics on international trade in services ("Projet pour la mise en place des statistiques de commerce international des services") aimed at improving the statistical capacity of the member countries of the West African Economic and Monetary Union, UNCTAD, in the course of 2014, prepared a workplan and made the necessary arrangements to launch the activities outlined in the convention signed by the two organizations. The agreement, between member countries of the Union and UNCTAD, has the goal of putting in place a harmonized mechanism of data collection, treatment and dissemination of imports and exports of services; developing the capacity of member States; establishing an electronic database; and organizing the exchange of information among member States. A thorough analysis of the state of affairs was required, and was undertaken by an UNCTAD expert in September. To clarify the issues raised during this mission, UNCTAD met with the chief statistician of the Union in December 2014 to review the convention and set new timelines and milestones. Recruitment of an expert statistician who will lead the project has been initiated and the expert is expected to start in June 2015.

406. As part of this project, and also following several requests from member States on training in statistics of international trade in services, UNCTAD initiated development of a simple and comprehensive e-learning tool designed for those involved in the collection, compilation and dissemination of such statistics. The tool is meant to present the main concepts of such statistics, classifications and manuals on use and production. In 2014, the preparative part of the project was completed. In total, six modules, including multimedia presentations, will be developed and tested in the course of 2015. The tool will first be tested in a member country of the West African Economic and Monetary Union. Development of this e-learning tool is a result of close cooperation with WTO.

407. UNCTAD participated in the first joint session of the African Union Committee of Directors General of National Statistical Offices and the African Centre for Statistics of the ECA, held in Tunis in December 2014, and was also actively involved in a side meeting on implementing the manual on trade in services statistics in Africa. UNCTAD made important recommendations that were adopted by the task group. UNCTAD will continue

to build stronger ties with the African Union Committee to reach countries in need of statistical assistance.

408. With the goal of improving the understanding of the international recommendations on international trade and related economic and business statistics, UNCTAD made several presentations at a dedicated regional seminar in India, which gathered chief statisticians in the region, delegates from several countries in Asia and representatives of other United Nations organizations.

409. To facilitate the participation of countries in global value chains in the context of economic globalization, UNCTAD is assisting the Eurasian Economic Commission in creating a database on trade in value added for the countries of the Eurasian Economic Union, namely Armenia, Belarus, Kazakhstan and the Russian Federation. This database will be used to analyse the integration and investment potential of these countries and to integrate them in international value added chains, as well as to form an economic strategy of development for the Eurasian Economic Union. The methodology of the database has been created with the participation of UNCTAD, which will further assist the Eurasian Economic Commission by creating the database, proposing the rules for building the database and providing help on data availability.

410. UNCTAD is an active member of the Inter-agency Task Force on Statistics of International Trade in Services and has been closely involved in statistics-linked activities aimed at improving the availability of data on statistics of trade in services in many parts of the world. UNCTAD statistics experts contributed to the finalization of a compilers' guide linked to the *Manual on Statistics of International Trade in Services* (2010), which will serve national compilers of statistics of international trade in services around the world, to advance in producing related data. As part of the division of labour of the Task Force, UNCTAD is currently developing an e-learning tool on statistics on international trade in services in cooperation with WTO.

411. Smaller scale knowledge-sharing activities on the compilation of statistics of trade in merchandise and services and indicators took place via the participation of UNCTAD experts in various regional workshops and working groups.

B. The Virtual Institute on Trade and Development

412. **Development context:** In order to secure beneficial integration into the globalized world economy, developing countries need the capacities to undertake economic analysis, formulate national policies and negotiate proposals for international forums, and implement such policies in a way that will support them in achieving their development objectives. While international expertise can be valuable in this endeavour, such capacities need to be available locally. To build and maintain them in a sustainable manner, academic institutions (universities and research centres) play an essential role, as they educate future decision-makers and can provide analytical inputs to underpin their Governments' economic policy decisions.

413. **Objectives and features:** In this context, the Virtual Institute, UNCTAD's capacity-building and networking programme for academia, works with academic institutions in developing countries and countries with economies in transition to strengthen their teaching and research in international trade and development issues, and to increase the policy orientation and relevance of their work.

414. **Outputs:** In 2014, the Virtual Institute membership increased by 17 per cent, with 15 new institutions joining the programme. Twelve universities, from Belgium, Burundi, China (two), Colombia, Finland, India, Nigeria, the Russian Federation, Serbia, the United Republic of Tanzania and Zambia, as well as three research institutes from the Dominican

Republic (two) and the United Republic of Tanzania, became members in 2014. The Virtual Institute network thus expanded to include 111 academic institutions in 54 countries.

415. The Virtual Institute continued to provide its member institutions with services in the following three areas: support to teaching; professional development for academics; and facilitation of cooperation among the members of its academic network and dissemination of UNCTAD's research to the academic community. Members were offered an array of services that allowed them to select those services that corresponded to their needs, interests and financial resources (for a detailed report on activities in 2014, see http://vi.unctad.org/images/files/virep14.pdf). During the reporting period, the Virtual Institute received financial support from the Government of Finland, the United Nations Department of Economic and Social Affairs and the "One United Nations" fund for the United Republic of Tanzania. Some of its activities (such as study tours, fellowships, workshops and some dissemination activities) were also funded or co-funded by the beneficiary institutions.

416. In the area of support to teaching, the Virtual Institute provided curriculum-related advice to its member universities in Kenya and Uganda on undergraduate and graduate programmes in international economics and trade, and a graduate course on global value chains management, respectively. With the funding from the Government of Finland, the Virtual Institute also supported the adaptation of its generic teaching material on trade and poverty to the national context of its member university in Cameroon, undertaken in cooperation with the Division for Africa, Least Developed Countries and Special Programmes. In addition, the Virtual Institute organized four one to two-week study tours with tailored training programmes at UNCTAD. Virtual Institute partner institutions (Advisory Centre on WTO Law, ILO, International Organization for Migration, International Trade Centre, World Health Organization, WIPO and WTO) and permanent missions for 121 students (including 84 women) from China, Colombia and the Russian Federation and countries in the Caribbean, as well as four shorter sessions for 130 students (including 73 women) from universities in Colombia, Germany and Spain.

417. In the area of professional development for academics, the Virtual Institute delivered two online courses, namely a second edition of its existing course on trade and poverty with 31 graduating participants (including nine women) from 27 countries, and a new course on non-tariff measures developed in cooperation with the Division of International Trade and Commodities, which was successfully completed by 60 participants (including 29 women) from 43 countries. The Virtual Institute also organized eight national professional development workshops which trained 187 academics (including 72 women) from Africa, Asia and Latin America. Two of these workshops were delivered in cooperation with the Division of International Trade and Commodities, one in cooperation with the Division for Africa, Least Developed Countries and Special Programmes and one in cooperation with the Special Unit on Commodities. Two workshops, requested by Virtual Institute members in the Gambia and the United Republic of Tanzania, focused on quantitative methods for trade policy analysis, while a workshop in Nepal dealt with development policies in the post-2015 context and a workshop in Kenya was dedicated to food security and international trade. Workshops in Costa Rica, Peru, the Philippines and Viet Nam trained researchers on the analysis of the impact of trade and trade policies on poverty at the household level. The workshop organized for the United Republic of Tanzania was funded by the "One United Nations" fund for the country, the workshops for countries in Africa were funded by the Government of Finland and the workshops for countries in Asia and Latin America were co-funded by the Government of Finland and the United Nations Department of Economic and Social Affairs. Seven academics, from Cameroon, Colombia, the Gambia, Kenya, Senegal, Uganda and Zimbabwe, participated in the ninth round of the Virtual Institute fellowship programme, working at UNCTAD to develop specific teaching

or research projects of interest to their universities. The fellow from Colombia used her own financial resources to fund her travel and stay in Geneva, while the remaining academics were supported by funding from the Government of Finland. The three-year Virtual Institute capacity-building project on trade and poverty reached its final phase, as the top graduates of the 2012 online course, with support from experts from UNCTAD and WTO, the Virtual Institute team and national policymakers, completed 11 national case studies, accompanied by four-page summaries in non-technical language, on topical trade and poverty issues. These studies (on Argentina (two studies), Benin, China, Costa Rica, the Democratic Republic of the Congo, Nigeria, Peru, the Philippines, the former Yugoslav Republic of Macedonia and Viet Nam) were published in an edited volume, entitled *Trade Policies, Household Welfare and Poverty Alleviation: Case Studies From the Virtual Institute Academic Network* and/or are available on the Virtual Institute website (see http://vi.unctad.org/tap). The studies were presented to academic, policymaking and civil society audiences at an international seminar in September in Geneva, and during national launches in six other developing countries in autumn 2014.

418. In the area of network cooperation and dissemination services, the Virtual Institute facilitated teaching cooperation between its two member universities in Kenya, whereby a lecturer from the University of Nairobi delivered courses on trade in goods and commodities and on trade in services in the new master's degree programme in international economics and trade at Moi University. The Virtual Institute also continued to act as an information broker, assisting its members in the dissemination of their calls for papers and scholarship and teaching opportunities. Eighteen e-mail alerts containing approximately 50 academic opportunities were shared with the Virtual Institute membership. With regard to dissemination, the Virtual Institute website continued to provide access to teaching resources, including almost 1,400 papers and studies by UNCTAD and its partner international organizations, to more than 4,500 individuals across the world (see http://vi.unctad.org). The Virtual Institute also provided members with almost 4,000 UNCTAD publications to enrich their libraries. In addition, the Virtual Institute developed five new multimedia teaching resources for its members, which attracted a total of more than 3,000 hits during the year. It also organized 11 videoconferences disseminating the findings of UNCTAD flagship reports (for example the *Information Economy Report*, *Review of Maritime Transport*, *Trade and Development Report*, *Trade and Environment Review* and *World Investment Report*) to 434 university students, lecturers and researchers (including 235 women) in Argentina, Belarus, Colombia, Morocco, Peru, the Russian Federation and the United Republic of Tanzania. The news section of the site was kept active, with 64 news items published in 2014. Four quarterly Virtual Institute electronic newsletters were produced and distributed to more than 7,100 recipients. Virtual Institute members in Kenya and Uganda also organized official launches of *The Least Developed Countries Report 2014* in their countries.

419. **Results:** The Virtual Institute contributed to enhanced teaching and research of trade and development issues at member institutions and the increased policy orientation of their work by providing support for the development of both individual and institutional capacities in this area.

420. In terms of impact on individual (academics and students) professional capacity, the Virtual Institute achieved the following:

(a) Provided university students and staff at member academic institutions with up-to-date teaching and research resources on topical international economic issues and related national policies that are relevant for their countries. The electronic publications made available through the Virtual Institute website, as well as the publications sent to libraries of Virtual Institute members, provided students and lecturers and researchers in economics, law, business and international relations with up-to-date sources relevant for

their studies, teaching and research. The localized teaching material on trade and poverty will serve as teaching support for international economics students in Cameroon;

(b) Enhanced academics' research skills, the policy orientation of their work and their capacity to teach topical international trade and development issues through online courses, national professional development workshops, Virtual Institute fellowships, learning by doing during local adaptations of Virtual Institute teaching materials and the development of studies on trade and poverty mentored by international experts. In the end-of-event questionnaires, all participants of Virtual Institute online courses, professional development workshops, fellowships and mentored projects stated that these had strengthened their knowledge and skills on the topics covered. They also gave concrete examples of how they would use their new knowledge in their future teaching or studies, research and work for the government or the private sector. Virtual Institute fellows who worked on research projects developed first drafts of their papers while in Geneva; most of these papers have already been finalized and submitted, if not accepted, for publication. The fellows from Kenya and Uganda working on teaching projects developed full-fledged proposals for a bachelor's degree in international economics and trade and a course on global value chains management, respectively. Academics benefiting from support in the development of trade and poverty studies completed the studies – which were published by the Virtual Institute in an edited volume and on the Virtual Institute website – and acknowledged the usefulness of the support received not only for the development of these studies but also for the strengthening of their capacity to undertake policy relevant research and cooperate with policymakers;

(c) Improved students' knowledge of international economic issues and understanding of policymaking processes through interaction with international experts from the International Trade Centre, UNCTAD, WTO and other organizations, as well as the representatives of permanent missions, during Virtual Institute study tours and videoconference presentations by UNCTAD staff. This helped the students be better prepared to deal with practical trade and economic policy issues in their future careers.

421. In terms of institutional impact, the Virtual Institute achieved the following:

(a) Through targeted professional development activities for academics, contributed to the establishment of larger teams of lecturers and researchers at academic institutions who have strengthened their trade-related competencies and skills, and are now involved in teaching and researching these issues. On average, more than six staff members per member institution are currently involved in cooperation with the Virtual Institute;

(b) Contributed to the enhancement of undergraduate and graduate programmes and courses on trade and development issues, and the strengthening of research teams working on trade and development issues at member institutions. A new master's degree programme in international economics and trade, which benefited from Virtual Institute curriculum-related support in 2013, was launched in Kenya, and university courses at other Virtual Institute member institutions benefited from new teaching resources. The cumulative effect of various Virtual Institute professional development services contributed to the creation of pools of researchers at member institutions equipped to undertake policy-oriented trade and development research;

(c) Supported the creation of a community of practice in trade teaching and research among its members and contributed to the strengthening of their capacity to interact, share and cooperate across different countries and cultures.

C. Economic Cooperation and Integration among Developing Countries Unit

422. **Project on "Promoting regional value chains in sub-Saharan Africa" – development context:** While sub-Saharan Africa has enjoyed high growth since the beginning of the last decade, this growth has not led to structural transformation in African countries. Thus, one of the central policy challenges facing these countries is to diversify their production and exports. The share of manufactures in regional trade is much higher than that of trade with the rest of the world, indicating that regional trade can help in adding value to exports of African countries. In spite of the benefits of regional integration, intra-African trade has remained low, at around 12 per cent of the continent's total trade. Beneficiary countries have a clear need to find concrete ways to increase intraregional trade. One way to do this is to explore the possibilities of forming production value chains within the region and developing the potential for intra-industry trade in the region.

423. **Objectives and features:** In this context, in 2014, UNCTAD continued a project in collaboration with the Commonwealth Secretariat and African Export-Import Bank on "Promoting regional value chains in sub-Saharan Africa". This one-year project, which was initiated in May 2013, entailed extensive research to identify potential regional value chains in leather industries in Africa. The main objective of the project was to promote developmental regionalism and intraregional trade in sub-Saharan Africa by identifying and encouraging potential regional value chains for leather industries. The leather and leather products industry provides an opportunity to the region to form regional value chains and add greater value to the region's exports. At present, the region is the largest source of the basic raw material of the industry – leather – and exports it with little value addition. The sector thus has potential to initiate regional value chains and raise export competitiveness and domestic value addition in many countries in the region. Given the labour intensive nature of the industry, it can also generate large-scale employment for low-skilled labour.

424. **Outputs:** The study identified three regional trade blocs in sub-Saharan Africa, namely COMESA, the Economic Community of West African States and the Southern African Customs Union, comprising 40 countries, that have the potential for forming regional value chains in leather and leather products. The study identified the inputs, semi-processed outputs, finished products and other inputs such as chemicals that are used in leather products, as well as the ways in which African countries could link into regional value chains. Three lists were created for each of the 40 countries, indicating the ways in which the countries could link into regional value chains, as follows: outputs or finished leather products in which a country had the potential to export to regional and global markets; inputs, that is primary and processed leather, including other identified inputs (for example chemicals used for dyes), which could be sourced by a country from the region at a lower cost compared to current imports from outside the region; and leather and leather products in which a country needed FDI to engage in regional value chains in the leather industry, that is products in which a country had a competitive advantage in the region but did not have the supply capacity to fulfil regional demand.

425. The study estimated a dynamic gravity model for the period 2002–2011, determined the potential trade in leather and leather products in Africa, and estimated potential trade for different regional economic communities, providing economic justification for forming regional value chains in this sector. In addition, policies at national and regional levels were identified and strategies suggested for initiating and promoting regional value chains and gainfully linking into global value chains. Policies for encouraging intraregional FDI were also suggested. UNCTAD provided conceptual and intellectual leadership in implementing the activities envisaged. Inputs were provided, including background research, in-house

experts and managerial staff, global networks of researchers and practitioners, in-house databases on national and international policies, and administrative support.

426. **Results:** The study was discussed and endorsed at two regional industry consultations, which served as capacity-building exercises for stakeholders from beneficiary countries. Following these workshops, a memorandum of understanding was signed between the Federation of Indian Micro Enterprises and SMEs and the COMESA leather and leather products industry on the sharing of technology. The latter had received requests from four countries to use the UNCTAD study to strengthen their linkages in regional supply chains in leather in sub-Saharan Africa.

427. More broadly, the project is part of the analytical work of UNCTAD on the issues of promoting South–South cooperation and building productive capacities, industrial policy and regional integration processes among developing countries. Based on the success of the project, further requests have been received by the COMESA secretariat for UNCTAD to undertake a similar project for identifying and promoting regional value chains in Africa in the mining and pharmaceutical sectors. In addition, the African Export-Import Bank has requested that the study be expanded in 2015 to North African countries with a sizeable leather production.

D. Macroeconomic and Development Policies Branch

1. Technical assistance in the form of advisory services provided to the Group of 20 processes on trade and finance

428. In 2014, under the Australian presidency of the Group of 20, UNCTAD has increased its relevance as an international organization providing advice to the Group of 20 Framework Working Group on Strong, Sustainable and Balanced Growth, which deals with policy issues on macroeconomics and finance. The contributions of UNCTAD consisted of presentations on policy advice on requested topics as well as empirical modelling scenarios, using the United Nations Global Policy Model to illustrate the possible impact of policies on a global scale. Delegates of many Group of 20 countries, in written and oral communications during meetings, have increasingly expressed interest in the advice of UNCTAD as a complementary approach to that of other international organizations such as the International Monetary Fund and OECD. Interventions by UNCTAD were as follows:

(a) Macroeconomic strategies and trade from a global perspective (background note), Group of 20, Quebec, Canada, January 2014;

(b) Policy gaps preventing a solid recovery of growth and trade (presentation during session two on gap analysis), Group of 20, Quebec, Canada, January 2014;

(c) Policy actions for a solid recovery of growth and trade (presentation during session six on growth strategies), Group of 20, Quebec, Canada, January 2014;

(d) Trade policy (presentation during session nine on growth strategies), Group of 20, Ankara, March 2014;

(e) Economic amnesia: Global imbalances underway but can be avoided (presentation during session 10 on external imbalances), Group of 20, Goa, India, June 2014;

(f) Assessing Group of 20 growth strategies: Global policy scenarios (presentation during session six on growth strategies), Group of 20, Goa, India, June 2014.

2. Other contributions to technical assistance

429. UNCTAD continued to receive positive feedback for its topical contributions to the short courses on key issues on the international economic agenda (Paragraph 166) for delegates from permanent missions in Geneva. Presentations focused on the changing dynamics of the world economy, and what this means for developing countries. Session one compared the trade, debt and development challenges and possibilities considered most pressing at the first United Nations Conference on Trade and Development held in 1964 with the current landscape. Session two described the evolution of sovereign debt, future challenges and policy responses, including support by the Debt Management and Financial Analysis System (DMFAS) programme. Sessions three and four focused on proactive trade, fiscal and industrial policies for development, including concrete examples of countries that had successfully implemented policies despite heightened constraints from international governance systems.

430. More in-depth analysis and training in global economic issues was provided through Paragraph 166 regional courses, the annual regional training for mid-career policymakers and delegates. UNCTAD has recently re-structured its training programme to improve its coherence and accessibility and the sessions were, as always, well received by participants. Entitled "Trade, financial flows, macroeconomic policies and development in a globalizing economy", each four-day course drew upon the *Trade and Development Report* and other research, giving participants an overview of important and current development issues. Each course is directed to the needs of the region involved, and in 2014 included Western Asia (course held in Oman) and countries with economies in transition (course held in Serbia). Participants compete for entry, as courses are typically oversubscribed.

431. **Development Account project:** Efforts to strengthen pro-growth macroeconomic management capacities for enhanced regional financial and monetary cooperation among selected countries of Latin America and the Caribbean and West and Central Africa progressed, and included a joint UNCTAD and United Nations Economic Commission for Latin America and the Caribbean seminar in Santiago, which brought together senior policymakers from ministries, central banks and financial institutions throughout the region. Participants examined the experiences of regional reserve funds in buffering members from balance of payment shocks, and innovative payment systems that were reducing transaction costs and vulnerability to exchange rate volatility. Considerable areas of consensus emerged on the benefits of regional integration, but also differing views about the best mechanisms for further deepening and widening of integration in such a large and heterogeneous region.

E. Special programme: UNCTAD assistance to the Palestinian people

432. **Development context:** Economic development suffered substantial setbacks in the Occupied Palestinian Territory in 2014, as the Palestinian productive base continued to erode, and restrictions on the movement of people and goods were further tightened under the ongoing occupation. Additionally, the Palestinian economy witnessed increased deterioration, resulting in weak growth, high levels of unemployment and deepened poverty. While the impact of occupation policies affects all segments of society, it appears that youth and women disproportionately carry the burden of such policies. Palestinian women are among the most educated in the region, but have the lowest labour participation rate and the highest level of unemployment in the world.

433. The Israeli military operation in the Gaza Strip, which took place during the conflict in July and August 2014, compounded already dire socioeconomic conditions resulting from over seven years of economic blockade. During the conflict, thousands of Palestinian civilians were killed or injured, and the infrastructure essential for economic development

was destroyed. According to estimates by the United Nations, more than 40,000 housing units, 141 schools and 29 hospitals, in addition to dozens of factories and areas of agricultural land, as well as Gaza's only power plant, were destroyed or damaged. For a small area such as Gaza, these estimates are huge when compared to population or infrastructure figures in other countries.

434. These events have serious ramifications not only in Gaza but on the entire economy of the Occupied Palestinian Territory. The recent destruction in Gaza, along with the prolonged blockade and a closure policy in the West Bank, will reinforce and intensify the de-development momentum imposed on the Occupied Palestinian Territory. In this light, the donor community needs to assume responsibility to ensure that the entire necessary infrastructure in the Occupied Palestinian Territory is developed, reconstructed and rehabilitated. However, more critical is lifting of the blockade on Gaza, allowing for free movement and access to and from the West Bank, in order that Gaza may be re-integrated into the Occupied Palestinian Territory.

435. While the economic and social conditions continue to deteriorate, most of the pledges made by donors, at an international conference held in Egypt in October 2014, have not yet been fulfilled. The context of development in the Occupied Palestinian Territory (West Bank, East Jerusalem and the Gaza Strip) needs to be addressed in its pertinent framework, as a territory under occupation. The latter systematically deprives the Palestinian people of freedom of movement to access their own resources and productive base. This implies that the Palestinian people are deprived of their right to development. The Palestinian people need a development strategy that deals with the limitations that occupation poses. No real development may take place as long as occupation continues. However, the best measures would be those that mitigate the situation. This would require carefully designed programmes and initiatives that address the needs of the Palestinian people without discrediting the right to live freely on their land and in a sovereign State as called for by the relevant United Nations resolutions. This is the premise under which the UNCTAD secretariat formulates and implements technical cooperation projects and extends its advisory services for the fulfilment of economic and political development in the Occupied Palestinian Territory.

436. **Objectives and features:** In 2014, the work of UNCTAD, in line with the United Nations Strategic Framework for 2014–2015, continued to be guided by paragraph 31(m) of the Doha Mandate, paragraph 44 of the Accra Accord and paragraph 35 of the Sao Paulo Consensus. UNCTAD's programme of assistance to the Palestinian people addresses the Palestinian economy's complex and evolving needs through the following four clusters: trade policies and strategies; trade facilitation and logistics; finance and development; and enterprise, investment and competition policy. For the last three decades, UNCTAD has been consistently supporting Palestinian economic development endeavours through research, the implementation of technical cooperation projects and the provision of advisory services. UNCTAD works closely with the Palestinian National Authority, the private sector, donors and international organizations. The work of UNCTAD aims to strengthen the institutional capacity of the Palestinian National Authority and the Palestinian private sector, and contribute to building the institutions required for the efficient functioning of the economy of a future independent Palestinian State.

437. **Outputs:** In 2014, UNCTAD continued to implement a technical cooperation project on developing Palestinian trade facilitation capacity, with funding from Canada and utilizing a unique approach in ensuring it responds to the local needs. The project used a two-pronged approach to consolidate and strengthen the institutional capacity of the Palestinian Shippers' Council and increase the awareness of the private and public sectors of best practices in trade facilitation in particular and strengthening national capacities in general. The capacities of project beneficiaries were enhanced through the provision of

training and advisory services, via the technical, legal and training units established in the Council by the project.

438. After surveying and identifying the needs of the private sector, UNCTAD implemented eight workshops on the following topics: import regulations for food industries; using the smart card system; gender mainstreaming in the business of the Council; role of women in international trade; import regulations for the ICT sector; import regulations for chemicals; interpretation and applications of the eighth version of the International Commercial Terms (2010); and training in legal services. In 2014, UNCTAD also conducted five study tours under the training unit to relevant conferences and ports such as Ashdod and Haifa, Israel; Aqaba, Jordan; and Barcelona, Spain. UNCTAD also continued to recruit local and international experts to service the project and fill knowledge gaps such as, among others, an expert on International Commercial Terms and an expert on resolving technical issues. In the area of research and policy analysis, UNCTAD finalized three papers on the following topics: smuggling goods in the Occupied Palestinian Territory; the Agreement on Trade Facilitation of WTO; and building the trade facilitation capacity of the Palestinian private sector.

439. As a result of the project and its training programme, new job opportunities were created, particularly for youth, who were introduced to the field of trade facilitation and logistics. Additionally, 19 new members joined the Council to allow their companies to benefit from the services provided by the Council. Partnerships between the Council and other organizations and agencies continued to be strengthened, such as those with the Palestinian Chambers of Commerce, Industry and Agriculture, the Institute of Law at Birzeit University and the Palestinian Business Women Forum. With support from UNCTAD, the Council held the first international trade facilitation conference in the Occupied Palestinian Territory, in December 2014. The conference, opened by the Prime Minister of the State of Palestine, addressed pertinent trade facilitation issues, with local, regional and international experts making presentations on various areas of relevance.

440. UNCTAD conducted presentations at several international academic institutions and think thanks, among others, forecasting the significance of the work and research of the Division on Globalization and Development Strategies. UNCTAD staff gave a number of lectures at the Friedrich Ebert Foundation on "the role of redistributive policies: Towards socially just economic development in the Middle East and North Africa region", and made presentations at the following: Foundation of Three Cultures event (presentation on "The role of women in the Arab world"); the conference "One year after the Arab Spring", held in Seville, Spain; and a conference on "Fostering active international solidarity with the Palestinians, solidifying the economic underpinnings of an independent State", organized by the United Nations Division for Palestinian Rights and held in Nairobi.

441. As in previous years, UNCTAD, in collaboration with the United Nations Division for Palestinian Rights, trained a young Palestinian diplomat from the Ministry of Foreign Affairs. This training introduced the diplomat to the United Nations system in Geneva, Switzerland, covering the scope of the work of UNCTAD, including the annual session of the Trade and Development Board, and the work of other United Nations agencies and offices in Geneva.

442. Finally, UNCTAD continued to provide advisory services to the United Nations Country Team in the Occupied Palestinian Territory for finalizing the United Nations Development Assistance Framework under the following two clusters: economic empowerment, livelihoods, food security and decent work; and governance, rule of law, justice and human rights. UNCTAD also offered advisory services to the Ministry of National Economy in Ramallah on economic development issues, the status of the Occupied Palestinian Territory and privileges accorded as an LDC.

443. **Results:** The UNCTAD technical cooperation project gained increased interest from the private sector in the Occupied Palestinian Territory, especially in holding the first international trade facilitation conference in the Occupied Palestinian Territory, with leading experts addressing the Agreement on Trade Facilitation of WTO and trade facilitation in a regional framework. The project led to a significant increase in knowledge in the shipping community. In addition, a full-fledged curriculum for a professional trade facilitation training programme was piloted; students of the programme received diplomas and trainees obtained professional experience that could better position them for other jobs in an already scarce field. The first of its kind in the Occupied Palestinian Territory, the curriculum comprises eight modules, addressing the entire supply chain and adapting best international practices to the local Palestinian context. The technical, legal and training units established under the project were fully utilized and functional during the reporting period.

444. Through the presentations delivered in Istanbul, Seville and Nairobi, UNCTAD contributed to shedding light on economic strategies for poverty reduction, inclusive growth, employment generation and industrialization.

445. Cooperation between UNCTAD and the United Nations Division for Palestinian Rights continued, and led to a young Palestinian diplomat being trained in the United Nations system, Secretariat and agencies.

446. The advisory services provided by UNCTAD as part of inter-agency cooperation with the United Nations Country Team resulted in the listing of clear activities under two clusters of the United Nations Development Assistance Framework.

447. The advisory services provided by UNCTAD to the Ministry of National Economy resulted in the Palestinian National Authority having a well-informed position in their negotiations with a member State of UNCTAD.

XI. ClusterXI: Strengthening the debt-management capacity of developing countries

Lead entity: Division on Globalization and Development Strategies

448. The programmes under this cluster (table 11) encompass the activities of the DMFAS programme in support of promoting economic policies and strategies at national, regional and international levels that are supportive of sustained growth, inclusive and sustainable development, employment creation, and hunger and poverty eradication in developing countries.

Table 11
Strengthening the debt-management capacity of developing countries

Project number	*Short title*	*Period covered*	*Source of fund*
BGD/0T/BBY[a]	Capacity-building for integrated debt management in Bangladesh	2012–2014	World Bank
CMB/0T/DAL	Strengthening public debt management at the Ministry of Economy and Finance	2014–	Asian Development Bank
DOM/0T/AAT[a]	Fortalecimiento de las capacidades de gestion de la deuda publica	2010–2014	World Bank

Project number	*Short title*	*Period covered*	*Source of fund*
EGY/0T/9AG[a]	Strengthening public debt management	2009–2014	Egypt
ELS/0T/CAM	Strengthening public debt management	2013–	El Salvador
ETH/0T/DAA	Strengthening integrated public debt management, phase 1: Installation of DMFAS 6	2014–	Ethiopia
GAB/0T/9AT[a]	Renforcement des capacités d'études et modernization des outils informatiques de gestion de la dette	2012–2014	Gabon
GEO/0T/BAR[a]	Strengthening public debt management	2011–2014	Georgia
HON/0T/BAU	Strengthening public debt management	2012–	United Nations Development Programme
INS/0T/ABB	Strengthening public debt management	2011–	Switzerland
IRQ/0T/BCI	Implementation of DMFAS 6 in Iraq	2013–	Iraq
IVC/0T/BCF	Projet de modernization des outils informatiques et de renforcement des capacités de gestion de la dette (DMFAS 6) en Côte d'Ivoire	2013–	Côte d'Ivoire
JOR/0T/DAM	Strengthening debt management in Jordan	2014–	Jordan
LEB/0T/BDG	Implementation of DMFAS 6 in Lebanon	2013–	Lebanon
MAG/0T/BBH[a]	Renforcement des capacités de gestion et d'analyse de la dette de Madagascar par la mise en place de DMFAS 6	2012–2014	Madagascar
MOL0T4CP	Implementation of DMFAS 5.3	2004–	Multi-donor
NIC/0T/BAG	Strengthening public debt management	2013–	Nicaragua
PAN/0T/9AA	Fortalecimiento de las capacidades para la gestión de la deuda en Panamá	2009–	Panama
PAR/0T/AAY[a]	Control y administración de la deuda pública	2011–2014	Paraguay
PHI/0T/8AB[a]	Implementation of DMFAS in the Central Bank of the Philippines	2008–2014	Philippines
PHI/0T/ABK	Strengthening debt management in the Bureau of the Treasury	2011–	Philippines
PRC/0T/AAQ[a]	Capacity-building in debt management in the Caisse Congolaise d'Amortissement	2011–2014	Congo
RWA/0T/BBC[a]	Implementation of DMFAS 6 for public debt management	2013–2014	Rwanda
ZAI/0T/BBB	Renforcement des capacités de gestion de la dette en la République démocratique du Congo	2012–	Democratic Republic of the Congo
ZIM/0T/BDB	Strengthening public debt management	2013–	Zimbabwe
ZAM/0T/BDA	Strengthening integrated public debt management	2012–	Zambia
INT/0T/2AO	Strengthening the debt-management capacity of developing countries	2002–	Multi-donor
INT/0T/BBZ[a]	Strengthening the debt-management capacity of developing countries	2012–2014	European Commission

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/DBD	Support to DMF II activities organized by the World Bank	2014–	World Bank
ROA-2959 (K9)	Building capacity of developing countries' policymakers to address regulatory and institutional gaps in the field of sovereign debt governance	2014–	Development Account

[a] Operationally but not financially completed or fully completed in 2014.

A. Debt and Development Finance Branch

449. The UNCTAD project on promoting responsible sovereign lending and borrowing and a debt workout mechanism made further important progress in 2014. In addition to seeking voluntary endorsement of the principles on responsible sovereign lending and borrowing, the guidelines on the principles were released for official consultations in August. In January, the Development Account project on "Building capacity of developing countries' policymakers to address regulatory and institutional gaps in the field of sovereign debt governance" began with the formulation of a diagnostic survey entitled "The assessment framework", which was reviewed and approved by a group of experts in July.

450. Relating to the work on sovereign debt workout mechanisms, the ad hoc working group continued to focus on building elements of a debt workout process and general principles of international law identified as relevant to the debt restructuring arena. Two meetings were held, in February in Buenos Aires and in July in New York, United States. In addition, drafting began on sovereign debt workout principles and a road map. Internationally renowned legal and economic experts, and high-level representatives from, inter alia, multilateral institutions, the private sector and civil society, participated in these meetings in line with the project's objective to give a voice to all relevant stakeholders. Several working papers examined the important characteristics necessary to a potential mechanism.

B. The Debt Management and Financial Analysis System programme

451. **Development context:** The DMFAS programme is a leading provider of technical cooperation and advisory services in the area of debt management. In 2014, it continued to assist governments in improving their sustainable capacity to manage debt. Working directly at the national level in 57 countries and 85 institutions to deliver practical assistance in this critical area, the programme helped strengthen the capacity of users to handle the day-to-day management of public liabilities and produce reliable debt data for policymaking purposes (figure 2).

452. In 2014, the programme focused on providing solutions to problems faced by debt management offices in the areas of operational, statistical and analytical debt management, which are considered the foundations for effective debt management. This included enhancing the state-of-the-art specialized debt management software to handle a number of new types of debt instruments, as well as advisory services and training activities.

453. **Results:** Results in 2014 included those detailed below.

454. **Complete, reliable and up-to-date debt databases:** Eighty-nine per cent of countries have developed comprehensive and reliable debt databases with respect to government and government-guaranteed external debt. Sixty-nine per cent of countries

using DMFAS 6 whose debt management offices were responsible for monitoring domestic debt used DMFAS to manage their entire domestic debt portfolios.

455. **Improved production of debt statistics:** Thirty-five countries regularly produce statistical bulletins on debt; five new countries produced draft statistical bulletins in 2014.

456. **Strengthened analytical skills:** Production of debt portfolio reports in three countries, data validation calendars in two countries, draft statistical bulletins on debt in five additional countries (seven national workshops, including three follow-up workshops) and procedures manuals in three countries.

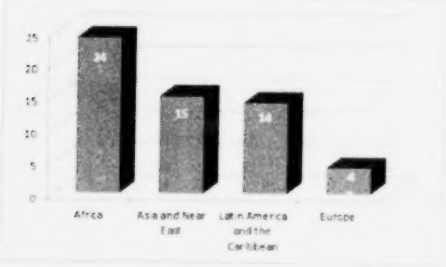
457. **Improved capacity for effective debt reporting:** Ninety-one per cent of DMFAS client countries effectively reported to the World Bank through the debtor reporting system. Two thirds of countries using DMFAS participate in the quarterly external debt statistics database of the International Monetary Fund and World Bank. One additional country using DMFAS has agreed to participate in the public sector debt statistics database.

458. **Subregional synergies in Central Africa:** The programme has been providing technical assistance in the area of public debt management to a number of French-speaking countries in Central Africa, starting in the late 1980s in Burundi and continuing in the early 2000s in the Congo, the Democratic Republic of the Congo and Gabon. This long-term collaboration has contributed to the emergence of positive South–South synergies in the region, notably through the implementation of new projects agreed between UNCTAD and the governments of these countries. In 2014, active cooperation between these countries included the exchange of experiences and expertise, resulting in better harmonization of debt recording practices in DMFAS and strengthened capacities in the areas of data validation, debt statistics and debt portfolio analysis.

459. These neighbouring countries benefited from each other's experiences in debt management on various levels. For instance, the use of regional DMFAS trainers in some capacity-building workshops not only allowed for the sharing of experiences between countries faced with similar challenges, it also contributed towards the harmonization of debt-recording practices in DMFAS and the production of statistics. In addition, formal as well as informal exchanges (for example communications on DMFAS-related questions and visits) regularly take place between some of these countries. Finally, the simultaneous implementation of DMFAS 6 in both the Congo and the Democratic Republic of the Congo allowed for the organization of joint activities through efficient coordination between all stakeholders.

Figure 2

Geographical distribution of active Debt Management and Financial Analysis System users, 2014



XII. ClusterXII: Transport and trade facilitation

Lead entity: Division on Technology and Logistics

460. The programmes under this cluster (table 12) provide technical assistance and capacity-building in the fields of trade logistics and customs automation through the Automated System for Customs Data (ASYCUDA).

Table 12
Transport and trade facilitation

Project number	*Short title*	*Period covered*	*Source of fund*
AFG/0T/BBD	Implementation of ASYCUDA	2011–	Afghanistan
ALB/0T/BCT	"Delivering as one" Albania 2013 project	2012–	"One United Nations"
ALB/0T/CAS	Implementation of e-payment services in the customs information technology system	2013–	Albania
ALB/0T/DBA	Migration to ASYCUDAWorld in the Albanian Customs Administration: Supervision and training	2014–	World Bank
ARU/0T/BCB	ASYCUDAWorld Aruba	2012–	Aruba
BAR/0T/CAA	Implementation of ASYCUDAWorld	2013–	Barbados
BDI/0T/ABD	ASYCUDA technical assistance and support	2011–	United Kingdom
BGD/0T/BCD	Migration to ASYCUDAWorld	2012–	Bangladesh
BIH/0T/CAX	Improvement of the Indirect Taxation Authority's operational capacity through full implementation of ASYCUDAWorld	2013–	European Commission
BKF/0T/BCL	Projet de migration vers ASYCUDAWorld au Burkina Faso	2013–	Burkina Faso
BOT/0T/1AL	Implementation of ASYCUDA	2001–	Multi-donor
CMB/0T/DAV	ASYCUDA support mechanism for Asia	2014–	World Bank
CMR/0T/AAI	Appui technique à l'information des douanes camerounaises	2012–	European Commission
CVI/0T/9AL	"Delivering as one" Cabo Verde	2009–	"One United Nations"
CVI/0T/DAN	Installation of ASYCUDAWorld	2014–	European Commission
DJI/0T/AAS	ASYCUDAWorld technical assistance and support	2011–	Djibouti
DRC/0T/9AN	Implementation of ASYCUDA	2009–	European Commission
ELS/0T/BCE	SYDONIA. Sorporte El Salvador	2012–	El Salvador
EUR/0T/AAZ	Implementation of ASYCUDA in Kosovo[b] customs	2011–	Kosovo[b] customs
FIJ/0T/CBF	Computerization of customs procedures and data and deployment of ASYCUDAWorld	2013–	Fiji

Project number	*Short title*	*Period covered*	*Source of fund*
GEO/0T/CBD	ASYCUDA supervision and training	2013–	World Bank
GIB/0T/9AM	Implementation of ASYCUDAWorld	2009–	Gibraltar
GUI/0T/BCX	Implementation of ASYCUDAWorld	2013–	Guinea
HAI/0T/DAO	Consolidation of ASYCUDAWorld and simplification of customs procedures and operations	2014–	Haiti
IVC/0T/4BV[a]	Implementation of ASYCUDAWorld in Côte d'Ivoire	2005–2014	Côte d'Ivoire
JAM/0T/CBJ	Implementation of ASYCUDAWorld	2014–	Jamaica
JOR/0T/AAB[a]	Creation of the regional centre of excellence in the Aqaba Special Economic Zone	2011–2014	Jordan
JOR/0T/BCS	Strengthening the implementation of e-customs	2013–	Jordan
LEB/0T/5BK	Implementation of ASYCUDAWorld in Lebanon	2005–	Lebanon
LES/0T/BDC	Customs management system	2012–	Lesotho
LIR/0T/8CD	ASYCUDAWorld project in Liberia	2008–	Liberia
MAU/0T/CAD	Customs modernization project	2013–	Mauritania
MDV/0T/DAJ	Computerization of customs procedures and data	2014–	Maldives
MLI/0T/9BF[a]	ASYCUDAWorld technical assistance and support	2009–2014	Mali
MLW/9X/8AU[a]	Computerization of customs procedures and data	1999–2014	Malawi
MLW/0T/DBB	Implementation of ASYCUDA	2014–	Malawi
NAM/0T/BAN	Implementation of ASYCUDA	2012–	Namibia
PAK/0T/8AK	Trade and transport-facilitation project (TTFP-II)	2008–	World Bank
PAL/0T/BAL	Capacity development for facilitating Palestinian trade	2011–	Canada
PRC/0T/AAG	ASYCUDAWorld technical assistance and support	2011–	Congo
PUE/0T/DAT	ASYCUDAWorld Puerto Rico	2014–	Puerto Rico
RWA/0T/BBE	Customs management and electronic single window system	2011–	Rwanda
SEY/0T/BBO	ASYCUDA project in Seychelles	2012–	COMESA
SOL/0T/BCO	ASYCUDA modernization and automation of customs procedures and data	2013–	Solomon Islands
SPM/0T/DAF	Implementation of ASYCUDAWorld in Saint Pierre and Miquelon	2014–	Saint Pierre et Miquelon
STK/0T/CAT	Implementation of ASYCUDAWorld in Saint Kitts and Nevis	2013–	Saint Kitts and Nevis
STP/0T/CBE	ASYCUDA project	2013–	Sao Tome and Principe
SUD/0T/8BG	ASYCUDA project	2008–	Sudan
SUR/0T/BAE	ASYCUDAWorld	2012–	Suriname
SWA/0T/DAB	Implementation of ASYCUDAWorld	2014–	Swaziland

Project number	*Short title*	*Period covered*	*Source of fund*
SYR/0T/4BP	ASYCUDA implementation in the Syrian Arab Republic	2005–	Syrian Arab Republic
TIM/0T/DAP	Computerization of customs procedures and data and deployment of ASYCUDAWorld	2014-	Timor-Leste
TOG/0T/BCN	Migration to ASYCUDAWorld	2014–	Togo
TRI/0T/BDD	Strengthening customs management capacity; ASYCUDAWorld consolidation	2012-	Trinidad and Tobago
TUN/0T/7AT[a]	Coopération pour la modernization et l'automatization des procédures douanières	2007–2014	Tunisia
UGA/0T/BBT	Implementation of a customs management system	2012–	Uganda
YEM/0T/8BT	ASYCUDAWorld project in Yemen	2008–	Yemen
ZAM/0T/BDE	Customs management system	2013–	Zambia
ZIM/0T/7AC	Implementation of ASYCUDAWorld in Zimbabwe	2007–	Zimbabwe
INT/9X/31Y	Introduction of multimodal transport and microcomputer software programmes	1993–	Multi-donor
INT/9X/89S	Support for ASYCUDA implementation activities	1998–	Multi-donor
INT/0T/4CO	Capacity-building in developing countries and least developed countries to support their effective participation in the WTO negotiations process on trade facilitation	2004–	Multi-donor
INT/0T/BCU	Project development for national trade facilitation implementation plans	2012–	European Commission
INT/0T/DBV	Extension of the UNCTAD ASYCER module for exports with functionalities for automated support to the module for imports)	2014–	Netherlands
RAB/0T/7BP	ASYCUDAWorld regional centre for Arab States	2008–	Syrian Arab Republic
RAF/0T/6BC	Establishment of the Southern and Eastern African technical ASYCUDA centre	2006–	Norway
RAF/0T/8AL	Strengthening ASYCUDA implementation in Southern and Eastern Africa	2008–	Botswana
RAS/0X/0DX	ASYCUDA implementation and support in the Asia and the Pacific region	2000–	Multi-donor
RAS/0T/1DA	ASYCUDA support mechanism for the Pacific	2002–	Japan
RLA/0T/3AD	ASYCUDA regional support for the Americas	2003–	National Governments
ROA-2965 (Q9)	Building capacities of developing countries to shift towards sustainable freight transport	2014–	Development Account

[a] Operationally but not financially completed or fully completed in 2014.
[b] United Nations Administrative Region. Security Council resolution 1244 (1999).

A. Trade logistics

1. Technical assistance and advisory services on trade facilitation

461. During the second half of 2014, UNCTAD helped numerous member States prepare for implementation of the Agreement on Trade Facilitation of WTO. With funding provided by the Government of Sweden, which in July 2014 made a contribution of US$296,000 to UNCTAD's multi-donor Trade Facilitation Trust Fund, UNCTAD supported developing countries and LDCs in the following: finalization of national trade facilitation implementation plans; categorization of Agreement on Trade Facilitation measures; preparation of project proposals; creation and work of national trade facilitation committees; and/or training in specific trade facilitation issues. For this purpose, UNCTAD worked with eight national and international consultants and undertook more than 25 dvisory missions. Several missions were undertaken jointly with the International Trade Centre under the framework of the UNCTAD memorandum of understanding with the International Trade Centre. UNCTAD was thus able to provide support to 22 countries, as well as the following country groups and organizations: East African Community; Central European Free Trade Agreement; landlocked developing countries; Organization of Eastern Caribbean States; Trade Policy Training Centre in Africa; Union of African Shippers; and West African Economic and Monetary Union.

462. **Impacts:** UNCTAD's trade facilitation projects continue to have an impact on the development of participating countries in two major ways. First, their contribution to development is through the easing of trade. This impact is straightforward and has long been recognized. Second, a more direct link to development lies in the fact that the reforms themselves help to generate better quality employment, move small traders into the formal sector, make economic activities more transparent and accountable, promote good governance, strengthen information technology capabilities, increase revenue collection and generally modernize societies.

463. Beneficiaries of activities under the above-mentioned project in 2014 were Bahrain, Botswana, Burkina Faso, Cameroon, the Comoros, the Congo, Grenada, Guatemala, Kenya, Mauritius, the former Yugoslav Republic of Macedonia, Nigeria, Paraguay, Saint Lucia, Sudan, Swaziland, Tajikistan, Thailand, Uganda, Ukraine, Viet Nam and the State of Palestine.

464. National trade facilitation implementation plans are elaborated using a standardized questionnaire and are based on a common template. They contain a description of the current situation for the analysed trade facilitation measures, the list of actions required for the implementation of measures not yet implemented, the need for external resources, the suggested lead implementation agency and a preliminary sequencing of measures.

465. **Outputs:** In addition to the implementation plans, the following outputs for the participating countries may be highlighted:

(a) Better understanding of the implications of the Agreement on Trade Facilitation and increased knowledge of the individual trade facilitation measures;

(b) Better preparedness for notification to WTO of national trade facilitation implementation capacities;

(c) Strengthened national trade facilitation committees, both in terms of the increased capacities of the individual members and of obtaining practical working documents (national trade facilitation implementation plans and project templates), which may be used as a source of the elements for a committee's programme of work and terms of reference.

466. In 2014, UNCTAD undertook a one-week regional workshop in the Dominican Republic for six member States in Latin America and the Caribbean. The purpose was to analyse practical implementation issues of trade facilitation measures in order to develop detailed project proposals. Measures covered were those contained in the Agreement on Trade Facilitation and ranked by countries as national priorities and requiring time and technical assistance for their implementation. The workshop included sessions to meet with donors working on trade facilitation and technical visits to better understand operational dimensions of specific trade facilitation measures.

2. Technical assistance and advisory services on transport

467. An innovative Development Account project on sustainable freight transport development and finance was initiated in 2014, which will be implemented in East Africa (involving two main corridors) and the Caribbean. The project aims to build capacities and provide advisory services to developing countries to enable a reorientation towards sustainable freight transport through sound transport policy measures and financing mechanisms. Activities under the project entail the development of a training toolkit on the principles of sustainable transport and types of investments (such as public–private partnerships and green bonds), as well as supporting policies that will help developing regions and countries to promote and invest in cost-effective, energy-efficient, low-carbon and climate-friendly freight transport infrastructure and services. The project will promote cooperation and collaboration with other United Nations agencies such as ECA, the Economic Commission for Latin America and the Caribbean, United Nations Development Programme and United Nations Environment Programme.

468. UNCTAD continued to provide advice and policy guidance in response to requests received from various governmental and intergovernmental entities, as well as NGOs and academia, on issues related to transport, including transport costs and freight rates, as well as on ports development (such as at a Pan Africa Association for Port Cooperation conference) and sustainable freight transport and energy efficiency development (such as at the Caribbean Renewable Energy Forum of the Caribbean Common Market).

469. In 2014, UNCTAD technical cooperation activities supporting small island developing States and landlocked developing countries in their efforts to promote transport and trade logistics as a vector for development were reinforced, as reflected in the UNCTAD contribution to the Samoa Pathway United Nations system implementation matrix and in the mainstreaming of the recommendations for landlocked developing countries in the Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 into UNCTAD's programme of work.

3. Technical assistance and advisory services on policy and legislation

470. In 2014, UNCTAD continued to provide advice and policy guidance in response to requests received from various governmental and intergovernmental entities as well as NGOs. In addition to technical and policy advice on a range of legal issues and international legal instruments, this included advice and information in relation to international seaborne trade data and related matters, as well as on issues related to sustainability in shipping and transport. Information about UNCTAD's substantive work in the field was also disseminated at various international meetings and through lectures at academic institutions, including the École Polytechnique Fédérale de Lausanne, Switzerland; the University of Geneva; University of the Basque Country, Spain; University of Nanjing, China; and East China Normal University, Shanghai.

471. Implementation of a new Development Account project on "Climate change impacts on coastal transport infrastructure in the Caribbean: Enhancing the adaptive capacity of small island developing States (2014–2017)" has begun. The project focuses on climate

change adaptation for ports and other coastal infrastructure in small island developing States, and was initiated in light of paragraph 56(j) of the Doha Mandate, which instructs UNCTAD to "advise small island developing States on the design and implementation of policies addressing their specific trade and trade logistics challenges linked to their remoteness and geographical isolation". Building on earlier related research, analytical work and intergovernmental consensus-building activities (see http://unctad.org/ttl/legal), the three-year project aims to enhance understanding and technical knowledge among policymakers, transport planners and transport infrastructure managers from small island developing States of the impact of climate change on coastal transport infrastructure – in particular seaports and airports – and to build their capacities to develop adequate adaptation response measures. A case study focused on two vulnerable small island developing States in the Caribbean (Jamaica and Saint Lucia) will be conducted to enhance knowledge and understanding at the national level and develop a methodology for assessing climate-related impacts and adaptation options. Related guidance and training will be provided at national and regional capacity-building workshops envisaged to be held in 2016–2017. In synergy with this project, UNCTAD serviced two intergovernmental meetings with a focus on small island developing States and their transport-related challenges, including in particular climate and weather-related threats to critical coastal transport infrastructure and operations in small island developing States, as follows:

(a) In the lead up to the third International Conference on Small Island Developing States, held in Samoa from 1 to 4 September 2014, an ad hoc expert meeting on "Addressing the transport and trade logistics challenges of the small island developing States: Samoa conference and beyond" was convened on 11 July 2014 to help identify some of the key issues and consider ways of best addressing them (for full documentation, including all presentations and a summary of discussions prepared by the secretariat, see http://unctad.org/en/pages/MeetingDetails.aspx?meetingid=586);

(b) The third session of the Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation on "Small island developing States: Challenges in transport and trade logistics" was convened from 24 to 26 November 2014. The session focused in more detail on relevant issues, including the importance of disaster risk reduction and climate change adaptation for critical transport infrastructure. The expert deliberations provided valuable insights that will be integrated in the secretariat's technical cooperation activities in the field (for full documentation, including all presentations and a background note prepared by the secretariat, see http://unctad.org/en/pages/MeetingDetails.aspx?meetingid=500).

472. As part of its collaboration with intergovernmental organizations and NGOs, and to help ensure that the special needs and capacity requirements of developing countries are taken into consideration, UNCTAD has joined a working group on climate change adaptation for maritime and inland port and navigation infrastructure, established by the World Association for Waterborne Transport Infrastructure in late 2014. The working group is expected to develop industry guidance on climate change adaptation for maritime and inland navigational infrastructure. Such guidance is particularly required by smaller ports in small island developing States, as well as in other developing regions, which are potentially vulnerable to climate change impacts. UNCTAD was also invited to join the advisory panel for the peer review of the regional framework for adaptation to climate change in coastal and marine areas in the Mediterranean. The framework is being developed by the United Nations Environment Programme Mediterranean Action Plan for consideration by the contracting parties to the Convention for the Protection of the Mediterranean Sea Against Pollution at their nineteenth meeting in late 2015. UNCTAD participation in these initiatives is expected to create important synergies with the secretariat's related technical cooperation project as well as its research and analytical work in the field.

B. The Automated System for Customs Data programme

473. **Development context:** The ASYCUDA programme is directed at reforming and streamlining the customs clearance process, increasing trade facilitation and strengthening the institution in member States. An efficient and effective customs administration is essential to the welfare of any country as it benefits the national economy by collecting revenue; assists the Government to implement national and international trade policy; protects the country by combating fraud and the illegal trafficking of prohibited and restricted goods; provides statistical information on foreign trade transactions essential for economic planning; and supports international trade needs.

474. The ASYCUDA programme is committed to providing sustained support for development, both in-country and remotely. Over a period of more than 33 years, it has supported the changing and evolving needs and challenges of the customs administrations of 111 countries and territories, and the facilitating of their international trade. Having originated as a means to help countries build and utilize the data collected at customs ports of entry through databases, the programme's scope has gradually widened to helping countries manage their economic and financial analysis and planning, as well as assisting the private sector in doing business. It has also expanded in terms of the customs management functions that it supports, from the initial data capture (now uploaded via the Internet) to assisting countries and territories in monitoring trade in and out of their borders, making available trade statistics, measuring institutional and trade facilitation benchmarks, and producing data critical to risk management analysis and enhancing the operational performance of customs and its integrity as an institution.

475. The mandate of the ASYCUDA programme is reflected in paragraph 167 of the Accra Accord, which states that UNCTAD should "continue to provide assistance to developing countries to design and implement policies and actions aimed at improving the efficiency of trade transactions as well as the management of transport operations. It should also continue to cooperate with member States in implementing ASYCUDA". The General Assembly Fifth Committee, in document A/C.5/64/L.23, also refers to the programme when it encourages the UNCTAD Secretary-General "in supporting the strengthening of regional economic integration in Africa by providing, within the allocation to the Conference, technical assistance and capacity-building in the areas of trade, customs and infrastructure" (paragraph 82). In the Doha Mandate, specific reference is made to the programme's work, reaffirming, inter alia, the importance and role of the ASYCUDA programme in supporting developing countries, particularly landlocked developing countries and small island developing States, and in continuing its trade facilitation work. The Mandate states that UNCTAD should "assist developing countries, particularly landlocked developing countries and transit developing countries, and some countries with economies in transition, to address challenges affecting their participation in trade from geographical constraints, with a view to improving transport systems and connections, designing and implementing resilient and sustainable transport systems, and enhancing transit infrastructure and trade facilitation solutions", "continue its work in the field of trade facilitation, including the Automated System for Customs Data programme" and "advise small island developing States on the design and implementation of policies addressing their specific trade and trade logistics challenges linked to their remoteness and geographical isolation" (paragraphs 56(h), (i) and (j)).

476. **Objectives and features:** The main objective of the ASYCUDA programme is the modernization of customs, using information technology to speed up and simplify the goods clearance process. The ASYCUDA system manages the entire customs clearance process, from (and prior to) the arrival of goods up to their warehousing and ultimate release, after payment of duties and taxes. It includes an advanced risk-management and selectivity function and strong anti-corruption features. The implementation of an

ASYCUDA project in a beneficiary country is based on the delivery of a comprehensive capacity-building programme, designed to transfer the full ASYCUDA functional and technical know-how to national staff and to ensure that the national team will be able to administer and maintain the national ASYCUDA system without external technical assistance and support.

477. **Outputs:** In 2014, the ASYCUDA programme continued to allow for increased revenue collection by customs in LDCs and other user countries and territories, as well as reduced clearing times and costs. In particular, the Zambia Revenue Authority upgraded to the latest ASYCUDA system, which allows for the local development of necessary applications at a minimal cost and as needs arise. Samoa, scheduled to graduate from LDC status in 2014, also upgraded and launched the use of the latest ASYCUDA system, and was the first in the Pacific region to create an opportunity to initiate development of e-governance platform. In Afghanistan, where transit facilitation is of utmost importance as it is a landlocked developing country, international transit became fully operational along seven corridors. In addition, the Afghanistan customs department implemented ASYCUDA modules for vehicle control, valuation and an e-exemption certification system. The implementation of ASYCUDA projects is always accompanied by various reforms and modernization programmes, and the project often also acts as a catalyst for office refurbishment and the building of requisite infrastructure, such as telecommunications networks.

478. The technical and functional training of national experts is a major component of the technical assistance projects employed as a tool to provide the transfer of know-how. In 2014, such training was conducted in several countries and in the centre of excellence in the Aqaba Special Economic Zone in Jordan in an effort to assist national experts to establish a sense of ownership of technical self-sufficiency and to further enhance the operation of the system. To this end, around 210 training sessions were conducted, both technical and functional, for an audience of more than 4,000 participants. Just less than 2,000 customs officers and brokers countrywide were trained in Afghanistan.

479. More than 270 advisory missions were undertaken by staff or consultants in beneficiary countries and territories. The programme's mission statement clearly stresses the importance of providing technical assistance with an emphasis on the special needs of LDCs. In 2014, 39 LDCs, 21 landlocked developing countries and 19 small island developing States benefited from the ASYCUDA programme's support.

480. **Results:** The impacts and results of ASYCUDA projects can be assessed by various institutional and trade facilitation benchmarks, including increased revenue, improved trade facilitation, shorter clearance times and the availability of reliable trade statistics data. The automatic calculation of duties and taxes results in increased State budget revenue, while reliable and timely trade and fiscal statistics assist governments in planning their economic policy. ASYCUDA has had a major impact on e-business and e-government transactions, making international trade simpler and cheaper, while making international markets more accessible to enterprises from developing countries. In a growing number of countries, ASYCUDA constitutes the core system for building the single window for international trade.

481. The results and impact of ASYCUDA projects can further be assessed by evaluation measures that include projects in countries that are new users of the ASYCUDA system and also the upgrade and maintenance of projects in countries migrating from one version to another or extending functional or geographical coverage of an ASYCUDA system already in place. Since 2009, ASYCUDA projects have contained monitoring and evaluation tools such as the logical framework and its achievement indicators and the monitoring plan. These tools are reviewed at the inception of a project during the mobilization workshop.

482. In addition, ASYCUDA contributes in achieving the Millennium Development Goals, in particular Goal 1 (poverty eradication), by assisting user countries in the economic planning of their governments' finances through revenue collection, trade statistics and the reduction of corruption (diversion of country resources).

483. The ASYCUDA programme has always aimed at developing sustainable partnerships and cooperation with beneficiary countries and international and regional organizations. Until 2010, such partnerships were agreed mainly with national or multinational government agencies such as the Directorate-General of Customs and Indirect Taxes of France, Ministry of Economic Affairs of the Netherlands and Agency for Development Cooperation of Norway. After this date, partnerships were agreed mainly with regional and international organizations such as the International Road Transport Union. In 2014, letters or memorandums of understanding were signed and exchanged with the following: Aqaba Special Economic Zone Authority, Jordan, to strengthen trade facilitation, promote the concept of an e-single window and integrate processes of customs, transport and other State controls at borders; Convention on International Trade in Endangered Species, to develop a module to regulate the import and export of endangered species; COMESA, to establish a regional support centre for the automation of trade; United Nations Office for Coordination of Humanitarian Affairs, to facilitate the deployment of humanitarian and emergency aid; and WTO, to develop extraction tools to facilitate WTO member States in supplying information and data for the integrated database of the WTO. In addition, in 2014, new discussions for partnerships were initiated with the United Nations Educational, Scientific and Cultural Organization and World Customs Organization, while discussions continued with the United Nations Office on Drugs and Crime and Universal Postal Union. Such framework instruments are important for the ASYCUDA programme to ensure the prompt delivery of technical assistance and long-term sustainability of cooperation, as well as for observing intellectual property rights for ASYCUDA software.

XIII. Cluster XIII
Information and communications technology policies and applications for development

Lead entity: Division on Technology and Logistics

484. The programmes under this cluster (table 13) support research, analysis and capacity-building in developing countries, with regard to policymaking in the field of information and communications technologies (ICTs) and their role in contributing to economic and social development. A multi-donor and multi-year trust fund on ICT policies for development supports UNCTAD technical assistance activities in this area. In 2014, it was financially supported by the Governments of Finland and the Republic of Korea. A single-donor trust fund with funding from Sweden for 2013–2015 also supports the cluster.

Table 13
Information and communications technology policies and applications for development

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/9AS	ICT policies for development	2009–	Finland, Germany, Republic of Korea

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/BCY	Building capacity to produce indicators for supporting ICT for development policies and mainstreaming ICT in women's entrepreneurship programmes	2013–	Sweden

485. **Development context:** As recognized at the World Summit on the Information Society, ICTs have considerable potential to enable development. In the Doha Mandate, member States reconfirmed the relevance of the work of UNCTAD in the area of ICT, as established in the Accra Accord. The Doha Mandate recognizes that ICTs have become an important feature of the increasingly globalized and knowledge-based economy. The Internet and other ICTs can contribute to job creation, enhance access to information and interaction through social networks, and enable transparent and efficient commerce. Wider ICT diffusion, improved access to the Internet and the development of ICT-related infrastructure are essential to bridging the digital and broadband divide. Developing countries can maximize their benefits from ICTs by formulating and implementing national ICT policies.

486. Member States have mandated UNCTAD to, among other things, undertake research on ICT, provide technical assistance to developing countries in the area of ICT, notably in the areas of ICT policy reviews, pro-poor policies, legal and regulatory frameworks, and measuring the information economy (Doha Mandate, paragraph 56(q), and Accra Accord, paragraphs 158 to 161).

487. In addition to research work supported by the cluster, in 2014, UNCTAD's technical assistance work in this area focused primarily on three areas, as follows: building the capacity of countries to produce information economy statistics to enable the formulation and implementation of evidence-based policymaking; assisting countries in support of harmonizing legal frameworks and creating an enabling environment for electronic and mobile commerce; and strengthening policymaking in women's entrepreneurship development.

488. **Objectives and features:** UNCTAD aims to strengthen the capacities of developing countries to use ICTs for pro-poor economic growth, productivity and development, to formulate and improve ICT for development strategies, and to assess the results of policies by developing appropriate mechanisms for monitoring and evaluation, including via the production of internationally comparable statistical indicators.

489. **Outputs:** Extrabudgetary funding contributed to the dissemination in 2014 of the *Information Economy Report 2013: The Cloud Economy and Developing Countries* (available at http://unctad.org/ier). In 2014, most of the work related to the *Information Economy Report 2015: Unlocking the Potential of E-Commerce for Developing Countries*, launched in March 2015, was completed. The trust fund financed six background notes prepared by international experts, the acquisition of relevant data and statistics and a peer review meeting to discuss a draft of the report. UNCTAD employed a consultant to help develop a global database on cyberlaws, which serves as a crucial input to the *Information Economy Report 2015* and will be of great value to future research related to the impact of cyberlaws.

490. In 2014, *Empowering Women Entrepreneurs through Information and Communications Technologies: A Practical Guide* was published, highlighting key areas where ICTs play a crucial role in enabling women's businesses to become more efficient, productive and profitable. The guide provided a foundation for governments and development practitioners to understand the key factors, challenges and dynamics involved

in empowering women entrepreneurs through ICTs, as well as recommendations for future action. The guide was well received at various seminars and conferences and cited by the United Nations Entity for Gender Equality and the Empowerment of Women as one of the 100 most important reports on gender. In addition, the methodology integrating the ICT dimension when assessing the environment for women's entrepreneurship development has been applied in the following seven countries in Africa and Asia: Azerbaijan, Kazakhstan, Kenya, Kyrgyzstan, Uganda, the United Republic of Tanzania and Uzbekistan.

491. As part of UNCTAD's assistance to developing countries in the area of ICT measurement, one regional training course was organized in Almaty, Kazakhstan from 8 to 12 December 2014 for 18 staff of national statistical offices of nine countries from the Commonwealth of Independent States. The workshop was delivered in Russian by one of the trainers trained by the project in 2013. It was based on the UNCTAD manual and training material, translation of which (into Russian) was also funded by the project. The training was organized in cooperation with the subregional office of the United Nations Economic and Social Commission for Asia and the Pacific. Although ICT has recently been identified as a sector with significant development potential for the region, official statistics on the information economy are available for only 20 to 50 per cent of the countries in the Commonwealth of Independent States, depending on the indicator.

492. At the request of, and hosted by the Ministry of Communications and Information Technology of Ethiopia, UNCTAD delivered a national workshop on the production of information economy statistics in Addis Ababa from 23 to 25 September 2014. The workshop was attended by 20 participants from the Ministry of Communications and Information Technology and the national statistical office. With the objective of increasing the availability and quality of data that can support national ICT-related policymaking, workshop participants agreed to join efforts to develop official information economy statistics and include such statistics in the national statistical plan.

493. In terms of methodological development, UNCTAD led or co-led two task groups within the Partnership on Measuring ICT for Development, as detailed below.

494. UNCTAD co-chaired with the International Telecommunication Union a task group focusing on ICT and gender statistics. In May 2014, *Measuring ICT and Gender: An Assessment* was published by UNCTAD as part of this joint work, with support from Sweden (available at http://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=924). The publication considered existing ICT indicators disaggregated by gender, assessed data availability and identified main gaps based on an evaluation of needs and demands for such indicators. It also showed areas currently covered, potential new areas where gender-disaggregated data were desirable and the need for further methodological work in order to develop relevant indicators to fill data gaps. The assessment included recommendations for the Partnership and for national statistical offices. In September 2014, UNCTAD employed a consultant to assess the availability of data for compiling gender-disaggregated indicators on employment in ICT-related occupations and in the ICT sector. Based on these findings, in 2015, UNCTAD and ILO will jointly propose a revised methodology on measuring ICT-related employment with a gender dimension.

495. The task group on trade in ICT services and ICT-enabled services that was launched by the Partnership in 2013 made important progress in 2014. This work is conducted in close collaboration with the statistical office of the European Union (Eurostat), International Monetary Fund, OECD, United Nations Statistics Division and WTO. A first draft of the background study was prepared between December 2013 and March 2014 by an international expert, circulated for feedback and discussed at an expert meeting in March 2014 and at a meeting of the Inter-agency Task Force on International Trade Statistics at OECD in Paris in March 2014. A revised version was presented to the Inter-agency Task Force at its biannual meeting in Geneva in October 2014. These and other events at which

the report was shared and/or discussed generated useful comments that will be used to refine the recommendations to be included in a technical paper.

496. The creation of an enabling legal and regulatory environment is critical to ensure the effective implementation of e-government strategies and to facilitate electronic and mobile commerce. In the area of ICT and law reform, UNCTAD has been assisting developing countries for many years. In 2014, studies on e-commerce law harmonization were prepared for Latin America and the Economic Community of West African States for publication in the first half of 2015. In addition in 2014, UNCTAD's technical assistance activities in this field aimed at building the capacities of various stakeholders, preparing cyberlaws and facilitating the increased regional harmonization of cyberlegislation, with projects in Africa and Latin America. In the East African Community, the implementation of the first and second phases of the framework for cyberlaws progressed. For example, Uganda prepared a draft law on data protection and privacy, which UNCTAD reviewed in November 2014. In February 2015, UNCTAD and the secretariat of the East African Community held a capacity-building workshop on e-government and cyberlaws in Kisumu, Kenya.

497. Two face-to-face workshops were organized in Dakar in February 2014 and in Accra in March 2014 for 48 representatives of countries of the Economic Community of West African States, in cooperation with the African Union Commission and the Commission of the Economic Community of West African States. The objective was to strengthen the regional harmonization of laws on e-commerce and ensure the implementation at the national level of regional cybersecurity frameworks on electronic transactions, data protection and cybercrimes adopted at the regional level. More activities are planned in 2015 to assist the region.

498. A regional workshop on e-commerce legislation harmonization was organized in September 2014 in cooperation with the Ministry of Foreign Trade of Ecuador, Association of Caribbean States and Latin American and Caribbean Economic System. Forty representatives from 20 countries participated in the workshop, held in Guayaquil, Ecuador, which followed an UNCTAD distance-learning training course that reached 300 participants.

499. A global database on laws related to e-transactions, data protection, consumer protection and cybercrime was developed using UNCTAD surveys in over 60 beneficiary countries and with contributions from partnering organizations, including the Commonwealth Secretariat, Council of Europe, Economic and Social Commission for Western Asia, OECD, United Nations Commission on International Trade Law and United Nations Office on Drugs and Crime. The database will serve as a tool for member States to identify policy areas that require particular attention in order to facilitate the greater use of e-commerce. The results were featured in the *Information Economy Report 2015* and launched during the Expert Meeting on Cyberlaws and Regulations for Enhancing e-commerce, Including Case Studies and Lessons Learned, held from 25 to 27 March 2015. An online version of the database has been made available. UNCTAD's bilateral assistance in this field responded to requests from Ethiopia and Uganda to review e-commerce draft laws. New requests for capacity-building activities were received from Madagascar and Dominica at the end of 2014.

500. **Results:** The *Information Economy Report 2013* contributed to raising awareness among policymakers and other stakeholders about the potential and risks associated with cloud computing. It generated more than 130 media articles and several radio and television interviews. Debates on privacy and data protection around the world made the report timely. The analysis was appreciated by member States and other partners as a comprehensive and authoritative source providing much needed evidence to understand how developing countries can harness the cloud.

501. A special briefing on the report for some 50 Geneva-based delegates was organized through a Paragraph 166 short course on 23 April 2014. In addition, in 2014, the main findings from the report were presented at seminars and conferences, for example at Shanghai University, China; the Stockholm Internet Forum 2014; the Ukrainian Software Development Forum 2014, held in Kiev; the Commonwealth Cybersecurity Forum 2014, organized by the Commonwealth Telecommunications Organization; a regional workshop of the International Telecommunication Union study group on the cloud, held in Tunis; and the World Summit on the Information Society Forum 2014. The UNCTAD Secretary-General drew on the report for the keynote address at the World Congress on Information Technology, held in Guadalajara, Mexico in September 2014. Such outreach activities are of significance in order for the findings of the report to reach a wide audience and relevant stakeholders.

502. At the end of 2014, UNCTAD received financial contribution from the Government of the Republic of Korea, which will be used to organize a seminar in 2015 for the East African Community on e-government and cyberlaws, partly drawing on the research for the *Information Economy Report 2015*.

503. UNCTAD's ongoing work on e-commerce in general and preparations for the *Information Economy Report 2015* raised considerable interest. UNCTAD was invited to share its work on e-commerce at the first ASEAN Consumer Protection Conference, held in Hanoi in December 2014, the Universal Postal Union E-commerce Forum in Bern in March 2014, and the WTO Geneva Week in December 2014.

504. Studies on cyberlaw harmonization have been largely supported by countries that provided inputs through regional workshops organized in 2014 in Africa and Latin America. Country presentations made on the state of e-commerce legislation fostered discussions on the need to develop compatible laws at domestic and regional levels.

505. Governments of the East African Community are advancing on cyberlaw reforms. For example, in 2014, the National Information Technology Authority in Uganda, together with the Ministry of Information and Communications Technology, continued to organize sensitization and awareness workshops and campaigns on cyberlaws with a view to encouraging ministries, agencies and private sector organizations to put in place minimum information security controls to ensure safe e-transactions. The workshops are facilitated by a multi-institutional team of lawyers and ICT technical resource persons who have been part of the East African Community task force on cyberlaws supported by UNCTAD. In addition, in Burundi, a draft law on e-commerce is under review before being presented to the National Assembly.

506. The Ministry of Communications and Information Technology of Ethiopia expressed appreciation for the revisions proposed by UNCTAD for the e-commerce laws. The Government of Uganda was grateful for the review of its draft law on privacy and data protection.

507. With regard to measuring ICT, UNCTAD further continued its collaboration with others in the United Nations system. UNCTAD continued its lead role in the Partnership on Measuring ICT for Development as part of its Steering Committee, co-leader of its Task Group on Gender and ICT and leader of its Task Group on Measuring Trade in ICT Services.

508. UNCTAD's technical assistance and training activities helped strengthen the regional networks of experts on ICT measurement. These networks may be accessed in future to further disseminate ICT measurement core indicators and methodologies. The presence in countries of a focal point on ICT measurement should help raise awareness of the importance of producing internationally comparable statistics on ICT in business and

assist UNCTAD in collecting national data. In addition, these experts can support further training and dissemination activities at the country level.

509. In 2014, UNCTAD actively sought synergies with other organizations that have complementary work on ICT for development, in order to make the best use of resources, and expand the reach and visibility of activities. For example, ICT and gender work is being conducted in close cooperation with the Partnership on Measuring ICT for Development, and International Telecommunication Union meetings offered opportunities to interact with country representatives and multiple stakeholders.

510. The ICT and law reform programme continued to benefit from synergies with its partners. UNCTAD participated in several activities, including the work of the International Telecommunication Union and of the United Nations Group on Cybersecurity and Cybercrime; meetings of the Commonwealth Cybercrime Initiative; the ASEAN Conference on Consumer Protection and Commonwealth Cybersecurity Forum; and preparation of a digital strategy 2020 with the Organisation internationale de la Francophonie. UNCTAD's work in the area of e-commerce and law reform was also recognized in *Rapport sur l'état de la Francophonie numérique* published by the Organisation internationale de la Francophonie in 2014. The preparation of the global database on cyberlaws benefited from cooperation among United Nations agencies and specialized institutions as well as experts in the area under review.

511. With regard to work on ICT for the development of women's entrepreneurship, UNCTAD collaborated with and combined its activities with ILO, in particular its women's entrepreneurship programme in West Africa, and also synergized with the work programme of the Donor Committee for Enterprise Development.

512. *Empowering Women Entrepreneurs through Information and Communications Technologies: A Practical Guide* was included in a list of the top 100 most important reports on gender (see http://www.womenmovingmillions.org/wp-content/uploads/2012/09/WMM-ALL-IN-FOR-HER-100-TOP-REPORTS.pdf). A representative of the United Nations Entity for Gender Equality and the Empowerment of Women stated: "This publication contributes greatly to the body of knowledge, fills a need and provides a useful tool for awareness raising, assessment and to chart a course for action. It is impressive in that it addresses many dimensions as laid out in the women's entrepreneurship development framework including the social, cultural, institutional barriers, capacity-building needs, the broader enabling economic environment, the particulars of entrepreneurship, and then links all of that very concretely to ICTs. This guide provides much needed practical steps to take us closer to realizing our goals of women's digital empowerment and economic empowerment. [We] will certainly promote this guide and the assessment tool within it."

XIV. Cluster XIV: Cross-divisional training and capacity-building

Lead entity: Division on Technology and Logistics

513. **Knowledge Development Branch:** UNCTAD supports beneficiary countries in the development of local capacities for trade as a key to growth and development. It helps to secure the beneficial integration of developing countries into the globalized world economy by supporting them to build capacities, knowledge and skills that will assist them in the achievement of their development objectives.

514. The programmes under this cluster (table 14), namely the "TrainForTrade" Port Training Programme and the courses on key issues on the international economic agenda,

aim to enhance sustainable local capacity in the fields of trade, finance, investment, tourism and other interrelated areas and their links with development in developing countries and countries with economies in transition. They do so through technical assistance and cross-divisional capacity-building, focusing on human resources development, training and networking. The Doha Mandate states that UNCTAD should "continue capacity-building activities including TrainForTrade and in the framework of Paragraph 166 of the Bangkok Plan of Action" (paragraph 56(r)).

Table 14
Cross-divisional training and capacity-building

Project number	*Short title*	*Period covered*	*Source of fund*
URT/0T/BBM	"Delivering as one" United Republic of Tanzania project	2011–	"One United Nations"
INT/0T/4AB	Mise en place d'un projet de renforcement des capacités de formation portuaire pour les pays en développement	2004–	Developing country ports
INT/0T/5BS	Cooperation between the TrainForTrade programme and the Valencia, Spain port authority	2005–	Valencia port authority
INT/0T/6AR	TrainForTrade Trust Fund	2006–	Multi-donor
INT/0T/7BR	TrainForTrade Port Training Programme for English-speaking developing countries	2007–	Ireland
ROA-2903 (J8)	Accelerating progress of selected West African countries towards the achievement of internationally agreed development goals, particularly Millennium Development Goal 8, through trade-related training and capacity-building	2013–	Development Account

A. TrainForTrade programme

515. The TrainForTrade programme focuses on developing skills and knowledge through innovative approaches based on a recognized pedagogical method and state-of-the-art technological solutions. TrainForTrade develops and implements technical assistance projects with core components on international trade and development, and promotes cross-divisional cooperation. It also operates the Port Training Programme through four language-based networks in Africa, Asia, Europe and Latin America. TrainForTrade advises on the use of ICT to promote knowledge sharing, networking and competence building.

516. TrainForTrade has extensive experience in delivering tailor-made assistance to developing countries and countries with economies in transition in building capacities to integrate into the world economy. The TrainForTrade project in West Africa was launched in 2013 in collaboration with UNCTAD's ICT Analysis Section and the Commission of the Economic Community of West African States to strengthen capacities in the area of e-commerce in West African countries (Benin, Burkina Faso, the Gambia, Ghana, Guinea, Mali, Senegal and Togo) and has since included Côte d'Ivoire, Liberia, the Niger, Nigeria and Sierra Leone as beneficiary countries. The project follows the TrainForTrade strategy, with particular emphasis on Millennium Development Goal 8 (develop a global partnership for development), and supports the implementation of existing legal frameworks on e-transactions at the national level through capacity-building workshops organized between 2013 and 2015.

517. TrainForTrade organized a distance learning course on the legal aspects of e-commerce, in collaboration with the ICT Analysis Section and the secretariats of the Association of Caribbean States and Latin American and Caribbean Economic System, which included 300 participants from 21 countries in Latin America and the Caribbean (Argentina, Belize, the Plurinational State of Bolivia, Chile, Colombia, Costa Rica, Cuba, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, the Dominican Republic, Uruguay and the Bolivarian Republic of Venezuela). The course was followed by a regional workshop on the harmonization of e-commerce legislation, held in Ecuador, which was attended by 40 representatives from 20 countries in Latin America and the Caribbean.

518. TrainForTrade participated in the South School on Internet Governance organized in Trinidad and Tobago. More than 70 representatives from Argentina, Barbados, Costa Rica, Grenada, Guyana, Jamaica, Mexico, Panama, Saint Kitts and Nevis, Trinidad and Tobago, Uruguay, the Bolivarian Republic of Venezuela and Montserrat attended this event.

519. TrainForTrade emphasizes the importance of training local experts as trainers in order to create sustainable knowledge-sharing processes. It promotes networking and South–South cooperation among beneficiaries, which is considered crucial for knowledge sharing and the multiplier effects of training. New learning tools are continuously developed by exploring technological opportunities such as e-learning and mobile-learning.

520. **Outputs:** In 2014, TrainForTrade delivered nine face-to-face and e-learning courses in cooperation with other UNCTAD programmes, in which a total of 1,242 trade operators (38 per cent of which were women) from 51 developing countries, including 15 LDCs, participated (figure 3).

Figure 3
TrainForTrade programme trainees, 2014

521. TrainForTrade activities in 2014 were funded by a range of donors, including France, Ireland, Norway, Spain and Switzerland. Beneficiary ports of the Port Training Programme also continued to contribute financially to the TrainForTrade Trust Fund. This self-sustaining aspect indicates the level of commitment and interest from national port communities (public–private partnership). Financial contributions from the Office for the Coordination of Humanitarian Affairs, Staff Development and Learning Section of the United Nations Office at Geneva and World Food Programme were received for a learning management system hosting services that TrainForTrade provides.

1. Using information and communications technology to promote knowledge sharing, networking and competence

522. TrainForTrade uses ICT as a tool for knowledge sharing as it increases the number of beneficiaries and helps reduce costs and carbon dioxide emissions. TrainForTrade promotes the use of interactive and collaborative learning technologies and is recognized as a key player in developing distance learning tools by Geneva-based international organizations. In 2014, TrainForTrade continued its collaboration with the Staff Development and Learning Section of the United Nations Office at Geneva by providing hosting services for the learning and content management system used by more than 1,200 students each trimester to access course materials and technical support services. TrainForTrade continued to collaborate with the Office for the Coordination of Humanitarian Affairs on e-learning activities, including three online courses. Collaboration was established with the World Food Programme to develop e-learning programmes for its staff. Finally, TrainForTrade provided interdivisional support in UNCTAD related to capacity development and e-learning.

2. Technical assistance projects

523. **Continued capacity development activities in Angola:** Following TrainForTrade capacity development activities in the framework of the Growing Sustainable Business project of the United Nations Development Programme in Angola in 2013, which capitalized on results obtained during a project implemented in Angola between 2007 and 2011, TrainForTrade has been preparing to launch a new phase of a project to be financed by the European Commission. The financing agreement was signed in Angola in December 2014 between the Government of Angola and the European Commission. A contribution agreement is expected to be signed in 2015, which will support implementation of this TrainForTrade project in Angola.

524. **Project in West Africa:** In 2014, one distance learning course and two workshops on the legal aspects of e-commerce and one distance learning course and one workshop on e-commerce for practitioners were delivered under this project. The second workshop was postponed, as detailed below.

525. The e-learning course on the legal aspects of e-commerce (13 October to 14 November 2014) had 168 registered participants (including 29 women), of which 122 participants (including 28 women) successfully completed the course. The face-to-face workshops on the legal aspects of e-commerce were delivered in French in Dakar (11 to 14 February 2014), with 23 participants (including seven women), and in English in Accra (18 to 21 March 2014), with 22 participants (including eight women).

526. The e-learning course on e-commerce for practitioners (24 March to 25 April 2014) had 150 registered participants (including 27 women), of which 127 participants (including 22 women) successfully completed the course. The face-to-face workshop on e-commerce for practitioners was delivered in French in Dakar (12 to 14 May 2014), with 25 participants (including six women). The English-language workshop, to be held in Banjul (1 to 3 September 2014), was postponed due to the outbreak of the Ebola virus disease, to 6 to 9 March 2015.

3. Port Training Programme

527. The TrainForTrade Port Training Programme plays a vital role in supporting port communities in developing countries in their quest for efficient and competitive port management. Talent management and leadership development is a crucial part of the programme. The programme operates through four language-based networks (English, French, Portuguese and Spanish) in Africa, Asia, the Caribbean, Europe and Latin America.

The programme hosts a high-end course on modern port management, which entails a powerful scheme to induce value-added solutions in port communities.

528. The Port Training Programme brings together public, private and international entities to share expertise and best practices. Partnerships have been established with European ports to share knowledge and expertise with ports in the South. Annual regional meetings bring together port officials from different countries, promoting the sharing of experiences and expertise. South–South collaboration between port communities is promoted, as it is crucial for knowledge sharing. For example, the exchange of participants is encouraged in order to increase participants' exposure to different port set-ups and facilitate the transfer of knowledge.

529. In 2014, 64 courses were held globally for 460 participants, including 261 trainers from 21 countries (including eight LDCs). Sixty courses of 30 hours each were delivered by local instructors trained by UNCTAD. The active member ports of the Port Training Programme are Benin, Cameroon, Côte d'Ivoire, Djibouti, Gabon, Ghana, Guinea, Indonesia, Peru, the Philippines, Senegal and Togo. The Philippines became an active member of the Port Training Programme English-speaking network in 2013 and launched its first training cycle in 2014.

530. The programme also offers train the trainer courses and coaching sessions in order to support the capacity development of instructors. The course on modern port management targets middle and senior managers and consists of 240 hours of training activities, which are divided into eight modules and delivered over a two-year span. To obtain the UNCTAD Certificate in Modern Port Management, participants must complete each module and defend their dissertation. Participant dissertations (about 150 each year) have proven useful to port communities in improving their services. The eight modules of the course on modern port management are as follows:

1. International trade and transport
2. Organization of a port system
3. Functioning of a port system
4. Future challenges to ports
5. Methods and tools of port management
6. Economic and commercial management
7. Administrative and legal management
8. Technical management and human resources development

531. **English-speaking network:** A train the trainer workshop covering modules one to four was organized by UNCTAD and the Dublin Port Company from 25 March to 3 April 2014 in Dublin, in cooperation with the Belfast Harbour Commissioners, Drogheda Port Company and Port of Cork Company, with the support of Irish Aid. The workshop comprised eight working days, each of which was divided into four 90-minute sessions. On average, a module was completed every two days. The 30 workshop participants (including seven women) were senior managers from port communities in Ghana (four), Indonesia (seven), Nigeria (six) and the Philippines (13). At the end of the event, all participants agreed that the workshop had been an enriching experience and that the group exercises had been challenging and relevant. Instructors were filmed during the workshop, and the material was compiled into short instruction videos that are now available to programme beneficiaries, to help local instructors prepare before delivering sessions in their ports and to serve as study tools for the programme's current and past participants.

532. On 18 September 2014, UNCTAD signed a memorandum of understanding with the Permanent Representative of Ireland to the United Nations Office and other international organizations in Geneva, a board member of the Dublin Port Company and the chief executive officer of the Port of Cork Company, who reaffirmed their strong commitment to the Port Training Programme for 2014–2016. In his welcoming address, the Secretary-General of UNCTAD drew attention to the pivotal role that ports play in international trade, as sea transport accounts for the most important movement of goods. He commended the programme for its outputs and thanked the Irish representatives for their support to UNCTAD and their commitment to sustainable development. The Permanent Representative of Indonesia expressed his strong appreciation of the programme, describing it as an excellent example of technical assistance. The representative of Ghana stated that the programme had been a major change maker in the development of Ghana's economy and that the capacity-building activities implemented in the framework of the programme had contributed decisively to the development of the ports of Tema and Takoradi. Representatives of the Philippines reiterated the importance of the programme, in particular for their nation as an archipelagic State.

533. **French-speaking network:** The French-speaking African members of the Port Training Programme held final dissertation panels and organized new training cycles for the programme in Benin, Côte d'Ivoire, Guinea, Senegal and Togo.

534. The annual coordination meeting of the French-speaking network was held in Dakar on 15 and 16 April 2014. The Directors General and focal points of the ports of Benin, Cameroon, Côte d'Ivoire, Gabon, Guinea, Togo and Senegal reviewed the activities of the past year, exchanged best practices and agreed on the way forward. A representative of Marseille-Fos Port and two representatives of the port of Haiti took part as observers.

535. In line with the action plan agreed upon at the coordination meeting, a train the trainer workshop covering modules one to four was organized at the Nantes Saint-Nazaire Port, France from 10 to 20 June 2014. The 23 workshop participants (including five women) were senior staff members from port communities in Benin (three), Côte d'Ivoire (five), Djibouti (two), Gabon (one), Guinea (three), Senegal (two) and Togo (four), as well as three participants from the Comoros, Haiti and Mauritania, who attended the workshop as observers. The 12 instructors were from the following: Port of Benin; Chamber of Commerce and Industry of the Loire Region, Nantes Saint-Nazaire Port, Port of Rochelle and University of Nantes, France; Port of Gabon; and Port of Senegal. Participants evaluated the workshop positively in terms of subject matter and depth, teaching method, time allocated and exercises provided. They also commended the quality of the training material developed by TrainForTrade.

536. **Spanish-speaking network:** A train the trainer workshop was held in Gijon, Spain from 3 to 14 March 2014 in collaboration with the Valenciaport Foundation and Port Authorities of Gijon and Valencia.

537. The network completed the first cycle of the course on modern port management in the Dominican Republic and the third cycle in Peru. Modules five to eight were delivered by local instructors with the support of UNCTAD and experts from the Port Authorities of Gijon and Valencia. At a coordination meeting held in Peru, representatives from member ports of the Dominican Republic and Peru and partner ports of Spain expressed satisfaction with the programme and requested the start of a new cycle in 2015.

538. **Impacts and results:** The impact of the activities conducted by TrainForTrade is evaluated at different levels before, during and after the events relating to technical assistance and advisory services. Needs assessments and fact-finding missions are conducted in close collaboration with national stakeholders through different mechanisms that foster national appropriation (for example national steering committees). During the

activities, several questionnaires are administered and direct feedback from participants is collected and analysed. Following the activities, other types of benchmarking are used to measure the level of commitment and participation of stakeholders in the follow up of recommendations.

539. **International port performance workshop:** The TrainForTrade Port Training Programme, with the support of Irish Aid and the Philippine Ports Authority, co-organized the first International Port Performance Workshop in Manila from 28 to 31 October 2014. The workshop was an opportunity to prepare senior managers in the English, French, Portuguese and Spanish-speaking Networks for changes and strategic reforms for modern seaports towards greater competitiveness based on higher standards of performance. The workshop included 26 senior managers in the areas of information, finance, statistics and corporate planning and focused on information collection and analysis for strategic management purposes, as well as discussions on technical matters of data definition and sharing and on the structures required for a sustainable data sharing port community. At the end of the workshop, a memorandum was agreed and adopted that prepared the ground for an agreed system for a data-sharing process among all Port Training Programme networks, which will enable production of a port performance scorecard, to be used as a road map for port benchmarks.

540. **Successful replication mechanism:** Many former participants in the course on modern port management become instructors and therefore take more responsibility at a senior management level. Other good indicators of the impact of the TrainForTrade programme in the field are the validation of the quality of participant dissertations by international and regional port experts, and the relevance of the dissertations to improving services in the port community.

541. **English-speaking network:** Specific activities included the following:

(a) Nigeria and the Philippines were integrated into the English-speaking network in 2014

(b) At the conclusion of an international coordination meeting, UNCTAD and representatives from the Irish Government, Irish port partners and member port communities from Africa and Asia reaffirmed their commitment to the programme and agreed to implement a third cycle (2013–2015)

(c) Nineteen current and future instructors were trained by UNCTAD trainers in the TrainForTrade teaching methodology, thus improving their ability to deliver training activities in their own port communities and strengthening the local ownership and sustainability of the programme.

(d) A publication in the Port Management Series was completed and it was decided that this would become an annual series. The first volume of the Port Management Series has been published early 2014. It features the best case studies on specific problems faced by port communities and the proposed solutions that are validated by a panel of port experts from the UNCTAD TrainForTrade Port Training Programme. A second volume of the Port Management Series for the French-speaking network has been published in 2015. Volume 3, that will feature best studies of the Spanish-speaking network of the Port Training Programme, is scheduled for end 2015.

542. **Spanish-speaking network:** The instructors trained by TrainForTrade in the train the trainer workshop in March 2014 later participated in the delivery of all eight modules of the course on modern port management in the Dominican Republic and Peru, thus demonstrating a multiplier effect in the capacity-building process in the member ports of the programme. Significantly, some participants from previous cycles have now reached higher positions of responsibility in their port communities.

543. **ICT and knowledge sharing:** Specific activities included the following:

(a) TrainForTrade has enabled the platforms of the Office for the Coordination of Humanitarian Affairs and World Food Programme to train more than 200 staff worldwide;

(b) The Office of the United Nations High Commissioner for Refugees used the English and French videos developed by TrainForTrade to illustrate competency-based interviews in a regional workshop;

(c) An advisory group meeting on "Developing skills, knowledge and capacities through innovation: E-learning, m-learning, cloud-learning" was organized in Geneva on 10 December 2013, and TrainForTrade produced a publication compiling the outcomes of the meeting.

544 **Project in West Africa:** Specific activities included the following:

(a) TrainForTrade courses have fostered networks of professionals, practitioners and legislators across the region and have led to the establishment of action plans and recommendations on the integration and harmonization of e-commerce legislation in the Economic Community of West African States region;

(b) TrainForTrade methodology and content have been well received to the extent that interest in the courses has led to self-financing by countries and participants in order to attend face-to-face workshops;

(c) In the Niger, laws on personal data protection and e-commerce were presented to the Assembly during its October 2014 session;

(d) In Togo, following the course on e-commerce for practitioners, Association PayCamp was created in 2014 to promote e-commerce in the country.

B. Course on key issues on the international economic agenda

545. **Outputs:** The course on key issues on the international economic agenda, or Paragraph 166 course, is delivered in two forms, namely short (half-day) courses for Geneva-based delegates and a three-week regional course for the five developing regions for capital-based economic policymakers, academics and others.

546. The course is a unique integrated cross-divisional programme in UNCTAD. The curriculum is designed and developed by the Policy Capacity-Building Section of the Knowledge Development Branch, with strong involvement and support from experts in different divisions. During the design phase, collaboration is also sought with the regional commissions of the United Nations and with national experts to ensure a rich, coherent programme on the various relevant areas, to ensure that the programme focuses on development as its central theme. To illustrate how economic policies can have an impact on development, the curriculum is integrated with detailed case studies and lessons learned from previous policy decisions, to promote critical thinking, with emphasis placed squarely on policy design, coherence, coordination, implementation and measurement. Policy development exercises and role playing, examinations and critiques of best practices in policy development, group work and debates are central themes of each regional curriculum. National case studies are crucial to ensure that regional experiences may be shared and learning enhanced, particularly in the development and implementation of policies and the measurement of their impact.

547. The curriculum of the regional course provides a fully integrated and interrelated approach for several substantive topics developed in the research work of UNCTAD. In addition, it is adapted to each developing region and contributes to knowledge development

and the understanding of contemporary economic issues among trade policy officials, finance and investment experts and academics who work in the areas of trade, investment, finance, technology and development issues. The curriculum is designed with a particular focus on the development of appropriate trade, finance, investment and innovation policies that help to achieve economic gains, which in turn meet the development objectives of participating countries.

548. Achieving macroeconomic stability, with a sound monetary and fiscal regime, is paramount to the design of and support for development objectives. Mobilizing resources appropriately from domestic sources, complemented by relevant borrowing, can help promote economic activities and growth. Policymakers are encouraged to consider sound fiscal policies to support such initiatives in a changing global environment. The need to stimulate productive investment, develop local markets and promote diversification will require adopting relevant industrial policies. This also suggests that public investment itself should be targeted towards human capital and infrastructure development. The importance of developing a relevant industrial policy is key to the concept of developing and implementing policies to attract and embed FDI. This can benefit SMEs through linkages, the development of regional and global value chains and the development of know-how. Science and technology issues that impact on the manner and ways that innovation in agriculture, energy and other areas can provide critical value added to products that have domestic and international appeal are also illustrated in the curriculum. Remaining competitive, whether in promoting domestic activity or in export-oriented sectors, for example, is crucial to ensuring long-term economic growth. In addition in the curriculum, the importance of logistics to facilitate trade to ensure sustainable exports and imports is highlighted and debated. Trade negotiations, whether at the multilateral, regional or bilateral levels, that directly achieve benefits from trade and investment and that consequently bring development gains remain an essential part of the course.

549. In 2014, two regional courses were organized, for countries with economies in transition (Serbia, July) and for Western Asia (Oman, October). A total of 34 policymakers, academics and others (including 17 women) attended these courses from 17 countries.

550. An important milestone was reached at UNCTAD when the Advisory Body for the Paragraph 166 programme awarded multi-year venue status to Colombia and Singapore for the Latin American and the Caribbean and the Asia and the Pacific regions, respectively, for regional courses starting in 2015. Colombia had previously hosted three courses between 2007 and 2011, and will now host three additional courses for the region. Singapore had previously hosted two courses between 2011 and 2013, and will now host three additional courses. For the first time in the history of the Paragraph 166 course, multi-year venues have been identified in all five developing regions, as follows:

(a) University of Belgrade, Serbia, courses from 2014 to 2018 for countries with economies in transition;

(b) Ministry of Commerce and Industry, Oman, courses from 2014 to 2018 for Western Asia;

(c) University of Mauritius, courses from 2013 to 2017 for Africa;

(d) EAFIT University, Medellin, Colombia, courses from 2015 to 2019 for Latin America and the Caribbean;

(e) Cooperation Programme, Ministry of Foreign Affairs, Singapore, courses from 2015 to 2019 for Asia and the Pacific.

551. Multi-year venues are a key indicator of the support that member States afford the flagship course, and also serve to raise the predictability of delivery and provide important financial support to the secretariat.

552. The short courses continued to update Geneva-based delegates on the most recent issues and developments on the international economic agenda. Six such courses, in cooperation with several UNCTAD divisions, were offered in spring and autumn 2014 on the following issues:

(a) Rethinking the global development agenda – a 50-year perspective (24 March);

(b) ICTs for development – the cloud economy and developing countries (23 April);

(c) UNCTAD programme on non-tariff measures in world trade (21 May);

(d) Proactive fiscal, trade and industrial policies and their role in attaining development goals (1 October);

(e) Global value chains – enhancing the participation of SMEs from a development perspective (4 November);

(f) Transfer of technology and development – key policy issues and recent national experiences (15 December).

553. A total of 181 delegates (including 87 women) from 143 permanent missions of developed countries, developing countries, countries with economies in transition and international organizations participated in these short courses.

554. The short courses offer an opportunity for rich and informed dialogue between UNCTAD's researchers and Geneva-based representatives of member States, creating a virtuous knowledge-sharing circle where experts are given the opportunity to present their most recent research to delegates, whose comments and questions in turn provide directly relevant ideas and potential research topics to UNCTAD's research work.

555. **Key highlights:** The evaluations of the regional courses continued to show that participants and their sending departments appreciated the debates on development-related thought and the integrated approach of the programme to ensuring that economic gains benefit development. This is inherent in the design of the curriculum, which treats development from the multiple perspectives of trade, finance, investment and technology. It particularly highlights that the debates and design and implementation of appropriate economic policies can contribute to growth and the development process in general.

556. Several participants in the course in Serbia indicated that the course had covered extensive issues and strengthened their knowledge of macroeconomic policies and development issues, FDI, international transportation and trade facilitation and regional and multilateral trading systems and agreements, as well as science, technology and innovation policies. More importantly, the challenges affecting the various topics, participants said, had been underscored, with relevant examples from both developing and developed countries, and appropriate policy measures had been discussed and outlined. Some participants indicated enhanced knowledge of the substance of economic decisions that affected their countries and there was a need therefore to ensure that policy thinking and planning were carefully undertaken, as well a need for smart policies for economic diversification to support development. Some participants praised the curriculum as smart and interesting in the manner in which the above issues were linked to each other within the greater framework of sustainable development, and stated that the curriculum had struck the right balance between theory, policy and practice. Finally, learning from each other's experiences was considered an important and integral part of the course.

557. Participants in the course in Oman expressed similar appreciation for the design of the curriculum by UNCTAD, regional commissions and national experts. For many, the curriculum had surpassed expectations, been helpful and provided overall knowledge on

international economic issues and development, and participants stated that they had learned the difference between trade and what trade could do to advance development. Many participants indicated the need to develop a sound macroeconomic framework, improve the formulation of trade policies that took into account specific development objectives in each policy choice and develop indicators for their evaluation. There was no stand-alone topic but a need to consider all economic parameters such as trade, investment, growth and finance – namely the interdependence between policies – when it came to achieving development objectives for their countries.

558. **Impacts and results:** An assessment of impacts was made using the evaluations participants provided at the end of each course.

559. Many participants in the course in Serbia reported that they were already using the knowledge and tools acquired to improve economic policies. Many also reported a better understanding of the impact of trade agreements that they worked on and how to keep in mind the importance of targeting trade agreements to development as the starting point of any national focus. Others indicated the necessity to also use economic integration as a useful step in achieving trade gains for development. One participant mentioned that the linkages among these areas were now firmly integrated in the manner in which the participant approached development-related work in the sending ministry. Others indicated that they had gained an ability to consider how their national production systems could be integrated into regional and/or global value chains. Consequently, steps were being taken to encourage the development of local supply capacities as a way of benefiting from global trade opportunities. Other participants indicated the ability to grasp the importance of the regulatory environment and institutional and physical trade infrastructures in fostering international trade competitiveness through the development of productive and trading capacities within their economies.

560. Several participants in the course in Oman specified the need for an integrated approach among various countries to address the development of economic and socioeconomic objectives. Others indicated that the knowledge gained was helping them achieve a better understanding of contemporary economic issues and how to cope with the challenges of the new multilateral trading system. Other participants mentioned that they had learned to employ analytical tools in the decision-making process and how to pursue relevant development policies to address economic challenges. Some participants noted the vertical and horizontal thinking that the course had provided when addressing development from an economic perspective. Many policymakers repeatedly cited that the important lesson of policy coordination at the national level had been an eye opener. Many participants complimented the curriculum's ability to promote debate and highlighted the policy development role-playing exercises as an example of how knowledge could be shared and transferred among regional policymakers.

XV. Cluster XV: Science, technology and innovation

Lead entity: Division on Technology and Logistics

561. The programmes under this cluster (table 15) seek to support the following: capacity-building in developing countries with regard to the design and implementation of effective national systems of science, technology and innovation; technology transfer; and South–South cooperation in science and technology.

Table 15
Science, technology and innovation

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/7CB	Special trust fund for activities related to the Commission on Science and Technology for Development with regard to World Summit on the Information Society follow-up	2007–	Switzerland
INT/0T/BCW	Improving access to medical products in developing countries through capacity-building for local production and related technology transfer, phase two	2012–	World Health Organization
ROA-2902 (I8)	Strengthening natio .al capacities to manage policies and frameworks on science, technology and innovation in Asian countries	2013–	Development Account
ROA-2940 (AS8)	Strengthening science, technology and innovation capacities for sustainable development	2014–	Development Account

A. Science, Technology and Innovation Policy Review programme

562. **Development context:** The basic assumption that underpins this work is that innovation, particularly innovation based on knowledge, is a key driver of economic growth, structural transformation and sustainable development. Among the capabilities that developing countries need to generate in order to harness science, technology and innovation for development, sound policymaking frameworks leading to the establishment of effective innovation systems are key. While this is recognized by the governments of many developing countries, designing and implementing national science, technology and innovation strategies and policies presents considerable challenges for many of them. There is a clear need to support a process of science, technology and innovation policy learning, experimentation and the dissemination of good practices.

563. **Objectives and features:** The Science, Technology and Innovation Policy Review programme provides policy advice to countries requesting assistance in building and maintaining a dynamic and responsive science, technology and innovation framework that can foster technology acquisition and innovation. It aims to ensure that national science, technology and innovation programmes become an instrument for supporting relevant components of the national development agenda, helping local industry compete in a knowledge-based, global economy. The theoretical framework that underpins the programme and its implementation methodology are presented in the document entitled *A Framework for Science, Technology and Innovation Policy Reviews* (available at http://unctad.org/en/Docs/dtlstict2011d7_en.pdf).

564. The reviews assess the strong and weak points of a country's innovation system from a general perspective and often include an analysis of technology and innovation challenges and opportunities in specific sectors and industries prioritized by the beneficiary country. Key science, technology and innovation issues that affect the competitiveness of industries and sectors can thus be identified, in order that local firms may improve their competitiveness. The reviews also include recommendations for improvements in legal instruments, policies, measures and practices that can strengthen a country's science,

technology and innovation framework. The primary beneficiaries of these projects are thus the major players in the national innovation system such as policymakers (most notably from the science and technology ministries or similar bodies), the business community and academic and research institutions.

565. **Outputs:** The main outputs of the programme in 2014 were the publication of the *Science, Technology and Innovation Policy Review: Oman* and a dissemination workshop conducted in Muscat to launch the implementation of the review's recommendations, and the organization of the first stakeholders workshop in Thailand, to create awareness of and consensus on the science, technology and innovation policy review process in the country.

566. Operational work under the project on strengthening science, technology and innovation capacities for sustainable development started in 2014, focusing on the identification of training methodologies and establishment of regional partners for the implementation of training activities. The first training activities are expected to take place in the second half of 2015.

567. **Results:** The *Science, Technology and Innovation Policy Review: Oman* had several achievements. First, and fundamentally, it increased the level of awareness and understanding among policymakers about innovation policy, as evidenced by the high level of participation and the active participation in two national workshops (more than 400 participants in total), as well as by the high level of reception of this activity, which received the personal attention of the Deputy Prime Minister during deliberations with the UNCTAD Secretary-General. Second, the review served to establish two consultative bodies at the strategic (five ministers and several senior advisers) and operational (executive directors of more than 20 science, technology and innovation stakeholder institutions) levels, which represent the core policymaking locus for future action on national innovation system development. Finally, the review established a level of coherence between its recommendations and the draft national innovation strategy, with which it has developed a symbiotic and mutually supportive relationship, enabling a positive acceleration of actionable policies upon its promulgation in the national legislature.

568. The *Science, Technology and Innovation Policy Review: Thailand* was finalized in early 2015. The review will be presented internationally at the eighteenth session of the Commission on Science and Technology for Development and will be presented nationally in July 2015. A first draft of the review identified nine sets of recommendations. The diagnosis and recommendations are already serving as inputs to public policy design processes, in particular to the science, technology and innovation policy reform currently being proposed and discussed as part of an ongoing national reform process. The national counterpart has requested support from UNCTAD in the delivery of a customized workshop for policymakers, with a view to facilitating the formulation and implementation of a plan of action.

569. A science, technology and innovation policy review process for Viet Nam is underway. Most of the work will be conducted in 2015.

B. Improving access to medical products in developing countries through capacity-building for local production and related technology transfer

570. **Development context:** Ensuring access to medical products is a complex undertaking requiring national Governments, the international community and all stakeholders to balance the availability of quality-assured medical products (supply side) with the meeting of public health needs in an accessible and affordable way (demand side). Supporting local production is one means by which governments in developing countries may seek to maintain this balance.

571. UNCTAD is one of the leading partners of this project, which is funded by the European Union. The project aims to ensure policy coherence between industrial, trade and health policies in developing countries. Although local production is growing and diversifying in many countries through national efforts, many other countries, particularly in Africa, are still struggling to increase their ability to produce important medical products. In addition, experiences in many developing countries show that, often, enhancing domestic industry capacity does not automatically translate into cheaper and affordable medicines for all. Therefore, the main aim of the project is to promote a comprehensive and system-wide approach to the local production of medical products, through greater coherence between industrial, trade and health policies. The project is embedded in ongoing efforts in Africa, such as the Pharmaceutical Manufacturing Plan for Africa of the African Union.

572. In order to reconcile divergent policy objectives on industrial production and public health in national contexts, and given the need to foster greater collaborations between the two goals, in the second phase of the project UNCTAD seeks to conduct analysis and develop methodologies that facilitate strategic choices based on the following:

(a) In-depth country analysis reports that highlight the necessary actions to achieve policy coherence between the two goals so that local production has the potential to improve access;

(b) Design and delivery of country-specific capacity-building and training activities that will benefit the four project countries, namely Bangladesh, Ethiopia, Ghana and Kenya.

573. **Objectives and features:** Specifically, UNCTAD's role is to assist countries through the following two different sets of activities:

(a) Analysis of relevant trade, industrial and health policies that affect domestic capacity to produce medical products, in order to achieve policy coherence to promote the local production of pharmaceuticals in Africa;

(b) Conduct capacity-building at the national level to promote better policy coordination for local production and access to medicines, through a range of capacity-building activities in the four countries.

574. Under the project, UNCTAD will plan, design and deliver four two-week policy training and capacity-building workshops in the four countries. These workshops will include three days of train the trainer workshops, to ensure the self-sufficiency of countries to follow up on such policy coherence exercises in the mid and long-term, beyond the scope of the project.

575. The capacity-building work was structured to be informed by evidence from fact-finding missions to the four countries and detailed interactions with policymakers. The work was built on the hypothesis that a mutually supportive, complementary and coherent combination of policies is required to ensure the long-term sustainability of pharmaceutical production in countries to cater to public health goals. Alignment between medical regulation, industrial and investment policies, science, technology and innovation policies, intellectual property policies, insurance policies and technology transfer policies is particularly important. The UNCTAD team is led by the Science, Technology and ICT Section of the Division on Technology and Logistics, with colleagues from the Intellectual Property Unit of the Division on Investment and Enterprise.

576. **Outputs:** Given the emphatic focus on building capacity for local production and related access to medical products in Africa as part of the project, and in order to systematize and augment the information available on these issues in the African context, a situational analysis at the regional level for Africa was completed as a first step to guide the work.

577. UNCTAD completed a policy manual on local production and access to medicines, which will serve as the background document to structure the capacity-building activities envisaged by the project. This manual, provisionally entitled *Building Local Capabilities for Production and Innovation of Medical Products: Policy Coherence and Coordination*, will be published in 2015.

578. Fact-finding missions have been completed in three of the four countries, namely Ethiopia, Ghana and Kenya. Two of the four capacity-building workshops have been completed. In Ethiopia, UNCTAD organized a high-level capacity-building dialogue on local production and access to medicines, held in Addis Ababa from 25 to 27 November 2014, in collaboration with the Ministry of Industry of Ethiopia, the Food, Medicine and Health Care Administration and Control Authority of Ethiopia and the World Health Organization Country Office. In Kenya, UNCTAD organized a high-level capacity-building workshop, held in Nairobi from 11 to 14 March 2015, in collaboration with the Ministry of Health, the Ministry of Foreign Affairs and International Trade and the Ministry of Industrialization and Enterprise Development. Both meetings consisted of a separate two-hour closed dialogue on the policy perspectives of the Governments of Ethiopia and Kenya on the need for policy coherence for local production, and how UNCTAD and other project partners could assist in this process.

579. Finally, UNCTAD is working as part of a broader United Nations consortium assisting the Government of Ghana to implement a national pharmaceutical production plan, which is based on the Pharmaceutical Manufacturing Plan for Africa.

XVI. Cluster XVI: Productive capacities in the least developed countries, landlocked developing countries, small island developing States and structurally weak, vulnerable and small economies

Lead entity: Division for Africa, Least Developed Countries and Special Programmes

580. The programmes under this cluster (table 16) focus on activities that promote economic and productive capacity-building in LDCs, landlocked developing countries, small island developing States and other structurally weak, vulnerable and small economies, taking into account the implications of structural and geographical challenges in these countries with regard to the nature and structure of competitive economic activities and the composition of external trade.

Table 16

Productive capacities in landlocked developing countries, small island developing States and structurally weak, vulnerable and small economies

Project number	*Short title*	*Period covered*	*Source of fund*
INT/9X/77J	Trust fund for LDCs, core project	1997–	Multi-donor
INT/0T/DAC	Identifying growth opportunities and supporting measures to facilitate investment in commodity value chains in landlocked countries	2014–	Common Fund for Commodities

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/5BP[a]	Mid-term review of progress in the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001–2010	2005–2014	Austria and Norway
ROA-2263 (AJ)	Enhancing the capacities of landlocked developing countries to attract FDI for the development and modernization of productive capacities	2011–2014	Development Account
ROA-2961 (M)	Building the capacities of selected LDCs to upgrade and diversify their fish exports	2014–	Development Account

[a] Operationally but not financially completed or fully completed in 2014.

A. Trust Fund for Least Developed Countries

581. **Objectives:** Contributions to the Trust Fund for LDCs are aimed at strengthening national policymaking capacity and assisting countries in the preparation and implementation of projects and programmes of action. An important tool in this process is *The Least Developed Countries Report*, which is largely produced through regular budget resources but contributes to the aims of the Trust Fund. Increasingly, the report is focusing on the articulation of concrete policies and measures on key issues identified in the Programme of Action for the Least Developed Countries for the Decade 2011–2020 (Istanbul Programme of Action). The objective is to provide LDCs with alternative and more relevant policy options and to assist them to develop their capacities to implement policies. Therefore, wider dissemination in beneficiary countries of the findings and policy recommendations of the report is essential. Resources available through the Trust Fund have helped to finance the organization of national and regional workshops, training of LDC policymakers and launch of reports.

582. **Activities:** The Trust Fund helped finance dissemination of the findings of *The Least Developed Countries Report 2014* to policymakers in LDCs and provided for coaching support to academics and civil society in LDCs. It also contributed to dissemination of the *Economic Development in Africa Report 2014* to African LDCs. In addition, the Trust Fund helped finance a workshop on transit trade and trade facilitation in West Africa, organized in collaboration with the Enhanced Integrated Framework secretariat and held in the Gambia in June 2014, and an expert group meeting for the least developed countries on ways forward on the ministerial decision of the WTO on preferential rules of origin for LDCs, organized in collaboration with the Netherlands and held in Switzerland in April 2014. The Trust Fund also financed the cost of one international expert to work on the collection of statistics on the extent of preferential treatment used by LDCs and helped finance a high-level meeting on indicators for benchmarking productive capacities in LDCs, a side event to the ministerial meeting on "New partnerships for productive capacity-building in the least developed countries", held in Benin in July 2014. The Trust Fund also financed the cost of translation into Portuguese of the paper entitled "Improving inter-institutional coordination and reducing duplication of efforts in the implementation of the national trade and development policies of Mozambique", launched in November 2014 in Maputo (see subsection C).

1. Policy analysis and dissemination

583. Each year, *The Least Developed Countries Report* examines a topic that is of particular relevance to LDCs and presents concrete policy proposals. The report includes a

chapter on economic trends in LDCs, which enables countries to obtain up-to-date and comparable statistics on an annual basis. The *Least Developed Countries Report 2014 – Growth with Structural Transformation: A Post-2015 Development Agenda* investigated the LDC paradox, that is the combination of rapid economic growth with slow poverty reduction and limited progress towards human development goals. The report concluded that this paradox was the result of insufficient progress in these economies towards structural transformation and the creation of productive jobs.

584. In order to facilitate knowledge transmission, the report is launched in as many countries as possible. In 2014, *The Least Developed Countries Report 2014* was launched in 36 countries and discussed in various media in LDCs, other developing countries and developed countries. Press conferences were held to publicize the report, with the participation of a number of government officials. Interest in the report led to 180 articles in the written press, and various radio and television interviews, as well as blog posts. From the launch to the end of the year, the report and its component parts were downloaded more than 3,000 times. In most cases, efforts were made to combine press launches with workshops, to enable in-depth discussions between policymakers, the private sector, civil society representatives and UNCTAD staff.

585. As the majority of LDCs are in Africa, the launch of the *Economic Development in Africa Report 2014: Catalysing Investment for Transformative Growth in Africa* is of interest to these countries. In 2014, UNCTAD organized 12 launches and seminars to disseminate the Report, including four in African LDCs.

2. Other activities in support of least developed countries

586. UNCTAD organized a workshop on rules of origin to discuss the ministerial decision of the WTO on preferential rules of origin for LDCs, held on 9 April 2014, before the meeting of the WTO Committee on Rules of Origin. During the event, the concrete and positive experience of Cambodia in using the newly created trading opportunities offered by the reforms of Canada and the European Union on rules of origin was shared with participants. This activity provided the necessary background to the LDC Group position statement presented at the Committee on Rules of Origin meeting on 10 April, on the need to discuss in depth the difficulties faced by LDCs in complying with rules of origin in the context of the new mandate provided to the Committee by the ministerial decision. As a result, an agenda item was added to the next meeting of the Committee on 30 October 2014, to discuss the challenges and experiences of LDCs in meeting rules of origin requirements.

587. Finally, UNCTAD organized a special event on trade and trade facilitation-related problems facing LDCs in the West African region, in collaboration with the Enhanced Integrated Framework secretariat and held in Banjul. Transit trade and trade facilitation issues feature prominently as major obstacles to international trade in the Gambia and Senegal. Trade in Mali and the Niger also faces similar problems (see cluster XVII).

B. Cooperation with countries faced with the challenge of graduation from least developed country status

588. In accordance with paragraph 41(o) of the Doha Mandate, UNCTAD pursued its work of technical cooperation to benefit those countries expected to graduate from LDC status. Activities in this area focused primarily on two LDCs in Asia and one country in the Pacific, whose status will be reviewed by the Committee for Development Policy in 2015.

589. In a national workshop organized by UNCTAD in the Lao People's Democratic Republic in June 2014, UNCTAD provided a group of 50 senior policymakers with

highlights and advisory services on structural economic transformation, and on the prospects of the Lao People's Democratic Republic for graduation from LDC status. The event focused on the relationship between economic policy, structural transformation and poverty reduction, with particular reference to four leading economic sectors, namely, copper and gold, timber, garments and tourism.

590. Two national workshops of direct relevance to structural transformation and the possibility of graduation from LDC status were organized by UNCTAD in October 2014 in Myanmar, for the benefit of a wide group of senior civil servants from ministries and public agencies. This sensitization work was complemented by advisory services to Myanmar policymakers, in the form of a road map for government action in anticipation of Myanmar's eligibility for graduation. A likely United Nations decision to that effect is expected in 2021, and the opportunity for the Government of Myanmar to determine the most appropriate date for graduation (between 2021 and 2024) is a policy issue to which special attention was given during the October 2014 workshops and on the margins of a December 2014 inter-agency mission to Myanmar, in which UNCTAD took part.

591. UNCTAD provided technical advisory services to Kiribati. According to United Nations data, the country has been more advanced than most other LDCs in terms of technical eligibility for graduation. However, UNCTAD has highlighted the extent of the socioeconomic vulnerability of countries such as Kiribati to external shocks and has called for the introduction of special treatment for small island developing States by the United Nations. UNCTAD's advisory services to Kiribati intensified in 2014, in the context of preparations for the review of the list of LDCs in 2015.

C. Activities in support of productive capacities in least developed countries

592. Recognizing the importance of undertaking productive capacity-building activities in LDCs, UNCTAD organized a side event during a ministerial meeting held in Benin in July 2014 (see subsection A) and a side event during a ministerial meeting of LDCs in Asia and the Pacific, held in Nepal in December 2014.

593. UNCTAD has been at the forefront of advancing the conceptual and analytical understanding of productive capacities in LDCs, and the ministerial meeting in Benin provided an opportunity to make substantive contributions to the debates and to reshape the outcome document (Cotonou Agenda for productive capacity-building in LDCs).

594. In 2014, UNCTAD started implementing a project on building the capacities of selected LDCs to upgrade and diversify their fish exports. Data and relevant statistical information on the global fisheries trade were compiled, the relative positions of LDCs in the global fisheries trade were determined and a comprehensive study, including country case studies on Bangladesh, Cambodia, the Comoros and Mozambique, were completed. The latter study provided a succinct analysis of the following: the global fishing industry; actual and potential participation by LDCs in the global fisheries trade; and constraints LDCs faced on the demand and supply side in terms of meeting quality and hygiene standards in developed country markets, and with regard to weak supply capacities impeding LDC fish exports, including lack of information, infrastructure and access to credit.

595. In addition, UNCTAD conducted a study on the challenges of institutional coordination in Mozambique in the areas of trade and development. The analytical and policy-oriented assessment related to the scale and degree of duplication, as well as its impact on the capacity to design and implement policies and strategies. The objectives of the assessment were as follows: identify key lessons and priority areas for action at the

national level, drawing from successful experiences and best practices in other developing countries; provide a synthesis of policy lessons and conclusions, together with clearly identified and sequenced actions by the Government of Mozambique, including on how to enhance the participation of the private sector and civil society; and organize a national capacity-building training workshop for senior officials and policy advisors in Mozambique. A national workshop was convened in Maputo in November 2014 as part of institutional coordination for trade and development policy implementation in Mozambique. About 60 participants from various government institutions, the private sector and civil society participated in the workshop.

D. Activities related to landlocked developing countries

596. The Development Account project aims to enhance the capacities of the governments of landlocked developing countries to attract larger and more diversified FDI inflows for the development and modernization of national productive capacities. To this end, investment guides and online iGuides were prepared under the project. iGuides are living documents that enable local counterparts to input information autonomously and when the need arises. This is necessary to ensure that the guides continue to be relevant for the target audience. iGuides have been launched in Burundi, Djibouti, Nepal and Rwanda, and others are in preparation. A global iGuides meeting was organized in October 2014 during the World Investment Forum, which provided participants an opportunity to discuss how iGuides may be used to provide online investors with up-to-date information on business costs, opportunities and conditions in countries.

597. UNCTAD has been advocating that the challenges faced by landlocked developing countries are more far-reaching than the need to have efficient transport and trade facilitation systems. UNCTAD has supported intergovernmental processes in favour of a development-centred agenda for a new programme of action and, in this context, assisted landlocked developing countries with regard to the Second United Nations Conference on Landlocked Developing Countries, held in Vienna in November 2014, through substantive and technical contributions made to the regional and global preparatory processes leading up to the conference. UNCTAD's contributions were based on its research and analytical work, as well as country-specific case studies undertaken in the context of the project entitled "Identifying growth opportunities and supporting measures to facilitate investment in commodity value chains in landlocked developing countries". Recommendations, findings and conclusions from the case studies served as inputs to the negotiation process on the final outcome of the conference (Vienna Declaration and Programme of Action for Landlocked Developing Countries for the Decade 2014–2024).

598. As part of this project, a side event on enhancing the participation of landlocked developing countries in higher segments of regional and global commodity value chains was organized in New York, United States in October 2014 during the second session of the intergovernmental preparatory committee for the conference. The side event, a collaborative undertaking between the Common Fund for Commodities, UNCTAD and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, focused on one aspect of the problem facing landlocked developing countries, namely heavy dependence on primary commodities. The event helped examine the challenges, opportunities and prospects in enhancing the role of commodities (including through diversification, value addition and retention) in the development of landlocked developing countries. It proposed ways and means to use commodities as levers for the socioeconomic development of landlocked developing countries, by taking policy measures and actions that facilitate their beneficial integration into regional and global commodity value chains, especially at higher segments.

599. The project also led to the organization of a high-level policy dialogue with the theme of "Turning commodity dependence into sustainable, inclusive and equitable economic growth for landlocked developing countries", held in Vienna in November 2014. The objective of this dialogue was to make substantive contributions to the conference by supporting the effective participation of landlocked developing countries in the conference. Specifically, it focused on building consensus on how the landlocked condition affects the capacity of a given country to develop its commodity sector in a sustainable way.

600. UNCTAD's active and substantive engagements in the intergovernmental preparatory processes, regional review meetings and at the conference greatly assisted in shaping the outcome of the conference. The inclusion of new and concrete actions in the various priority areas, and the articulation of the fifth priority on structural economic transformation, had an evident impact and made contributions to the process and the outcome.

E. Activities related to small island developing States

601. In the context of preparations for the third International Conference on Small Island Developing States, held in Samoa from 1 to 4 September 2014, UNCTAD's technical cooperation with small island developing States was focused on directly supporting six countries, namely Cabo Verde, Maldives, Kiribati, Samoa, Tuvalu and Vanuatu. These countries were represented at Head of State or Government levels in a high-level panel discussion on small island developing States and the question of graduation from LDC status, which was a side event jointly organized by UNCTAD and the United Nations Development Programme at the conference. UNCTAD provided advisory services to these six countries on the benefits they have derived from LDC status, with a view to identifying the modalities for special treatment linked to their status as small island developing States that these countries might need or wish to retain after their graduation from LDC status.

XVII. Cluster XVII: Strengthening support for trade mainstreaming into national development plans and/or poverty reduction strategy papers in least developed countries in the context of the Enhanced Integrated Framework

Lead entity: Division for Africa, Least Developed Countries and Special Programmes

602. Programmes under this cluster (table 17) proactively focus on tailored support for the efforts of LDCs in the formulation of a trade policy framework as a basis for identifying and sequencing trade priorities. This assistance aims to build capacity for in-country implementation of the Enhanced Integrated Framework.

Table 17
Strengthening support for trade mainstreaming into national development

Project number	*Short title*	*Period covered*	*Source of fund*
CMB/0T/BBI	Rules of origin: Operational procedures and training	2012–	World Bank

Project number	*Short title*	*Period covered*	*Source of fund*
DJI/0T/CBL	Enhanced Integrated Framework Project: Update of the Diagnostic Trade Integration Study for Djibouti	2013–	United Nations Office for Project Services
ETH/0T/DBO	Enhanced Integrated Framework Project: Update of the Diagnostic Trade Integration Study for Ethiopia	2014–	United Nations Office for Project Services
MLI/0T/CBN	Enhanced Integrated Framework Project: Update of the Diagnostic Trade Integration Study for Mali	2013–	United Nations Office for Project Services
MOZ/0T/BDH	Enhanced Integrated Framework Project: Update of the Diagnostic Trade Integration Study for Mozambique	2012–	United Nations Office for Project Services
NER/0T/DAI	Enhanced Integrated Framework Project: Update of the Diagnostic Trade Integration Study for the Niger	2014–	United Nations Office for Project Services
INT/0T/4AY	Integration of LDCs, landlocked and island countries into the global economy	2004–	Multi-donors
INT/0T/AAK	Market access and trade laws for LDCs	2010–	Italy
ROA-2286 (AT)[a]	Strengthening the capacity of rural communities in LDCs to utilize the market access opportunities provided by duty-free quota-free and enhancing the value added of their traditional products	2012–2014	Development Account
ROA-2906 (M8)	Strengthening the capacities of trade and planning ministries of selected LDCs in developing and implementing trade strategies that are conducive to poverty reduction	2013–	Development Account

[a] Operationally but not financially completed or fully completed in 2014.

A. Enhanced Integrated Framework

603. UNCTAD provides a range of technical cooperation services that are financed by extrabudgetary resources. These services are tailor-made to the needs of a country and are driven by the principle of country ownership. They support beneficiary countries in building productive capacities for trade, such as analysing, designing and implementing trade policies and trade strategies.

604. As a core agency of the Enhanced Integrated Framework, UNCTAD continues to participate in the organization and implementation of Framework activities. The Accra Accord recognizes the Framework as a key mechanism for the provision of trade-related technical assistance to LDCs and calls on UNCTAD to intensify and strengthen its contribution to it. In this context, the Division for Africa, Least Developed Countries and Special Programmes represents UNCTAD on the Framework Board and contributes to LDC-friendly operationalization of the Framework. UNCTAD assists LDCs in various stages of the Framework, namely the organization of sensitization workshops on the Framework process, updates of Diagnostic Trade Integration Studies and the formulation and implementation of Tier 2 projects.

605. In June 2014, UNCTAD, in collaboration with the Framework secretariat, organized a regional event in Banjul on the implications of the Agreement on Trade Facilitation of

WTO on regional transit issues, in order to discuss and eventually solve the implementation issues of the Economic Community of West African States inter-State road transit agreement, which had arisen in the context of the Diagnostic Trade Integration Studies of Burkina Faso, the Gambia, Mali, the Niger and Senegal, and how the WTO provision on transit could assist in making progress towards its implementation.

606. As part of updates of the Diagnostic Trade Integration Studies of Djibouti, Ethiopia, Mali, Mozambique and the Niger, several analytical works and advisory missions as well as workshops were conducted in 2014, such as a Diagnostic Trade Integration Study workshop on transit and trade supply chain constraints in Mali, held in Bamako in June 2014. The aim of this workshop was to analyse the current customs clearance and transit procedures, identify the main limitations and elaborate recommendations and strategies for improvement of the system. The validation workshop on the update of the Diagnostic Trade Integration Study of Mozambique was jointly organized by UNCTAD and the Government of Mozambique on 19 and 20 November 2014 in Maputo. The workshop emphasized the importance of a revised Diagnostic Trade Integration Study and focused on the aspects of implementation of the action matrix with short, medium and long-term perspectives and on the priority sectors for trade and development. In addition, the update of the Diagnostic Trade Integration Study of Djibouti was finalized and its validation was conducted in February 2015. The updates of the Diagnostic Trade Integration Studies of Mali and the Niger were drafted in 2014, and their validations are expected to take place in 2015. Finally, the concept note for the update of the Diagnostic Trade Integration Study of Ethiopia was validated in December 2014 in Addis Ababa.

607. UNCTAD is supporting the Gambia and Senegal in the implementation phase of the policies and strategies identified in the action matrices of their Diagnostic Trade Integration Studies. In Senegal, a follow-up workshop on trade mainstreaming was held in February 2014, funded by a Development Account project. Multiple constraints on trade mainstreaming were identified during this workshop and, in collaboration with the Government, a trade mainstreaming proposal was elaborated and shared with the Framework secretariat in July 2014. UNCTAD further assisted the Government in the elaboration of a Tier 2 project on transforming and commercializing fruit in the Casamance region of Senegal, and organized a workshop on this topic in the region in January 2014.

608. In collaboration with the Government of the Gambia, a project proposal was developed under the mainstreaming facility of the Enhanced Integrated Framework for the elaboration of a trade and industrial policy, addressing institutional constraints in implementing the commitments of the Economic Community of West African States and in implementing the Agreement on Trade Facilitation of WTO. A similar request related to trade mainstreaming was received from the Ministry of Trade of the Solomon Islands, together with an expression of interest for updating the Diagnostic Trade Integration Study.

609. Finally, UNCTAD, jointly with the International Trade Centre, supported the Government of Djibouti in the formulation of a Tier 2 project on tourism.

B. Rules of origin

610. Since 2006, UNCTAD has assisted LDCs in their implementation of quota-free negotiations and related rules of origin. A series of capacity-building activities has been carried out through briefings and technical meetings. UNCTAD provided policy advice and technical assistance on rules of origin for a better utilization of trade preferences granted by preference-giving countries, especially on the preferences granted by the European Union under the Everything But Arms Initiative. Such assistance focused on exploiting the trading opportunities offered by the reform of rules of origin implemented by the European Union.

611. UNCTAD assisted the LDC Group in drafting a paper on the challenges LDCs faced in complying with the rules of origin, presented by Uganda on behalf of the LDC Group during the April 2014 session of the Committee on Rules of Origin of the WTO. The paper drew on LDC experiences in using the existing preferences and the favourable impact that the reforms of Canada and the European Union had on their trade flows. Such experiences and challenges provided a basis to emphasize the need for more lenient rules of origin, allowing the integration of LDCs into supply chains, especially in the markets of Japan and the United States.

612. Advisory missions and workshops were organized to support Cambodia and Myanmar. In November 2014, two workshops on rules of origin (operational procedures and training) were conducted in Phnom Penh and in October 2014, a workshop on market access and rules of origin available to Myanmar, and its utilization of different Generalized System of Preferences schemes, was conducted in Myanmar. Three handbooks have been drafted on this topic, as follows: an update of duty-free quota-free and the rules of origin in Canada, Japan, the United States and the European Community; using trade preferences granted to Cambodia by Canada, Japan, the United States and the European Union; and using trade preferences granted to Cambodia under different ASEAN free trade agreements.

C. Tripartite free trade area

613. UNCTAD has developed, in collaboration with TradeMark Southern Africa, a comprehensive series of negotiation modules to train negotiators with regard to the tripartite free trade area on the following: drafting negotiating text; free trade agreements; tariffs; rules of origin; anti-dumping; subsidies; safeguards; and dispute settlement. UNCTAD and TradeMark have jointly organized train the trainer workshops and national workshops. In 2014, an assessment of the tripartite free trade area in Eastern and Southern Africa was presented at the seventeenth Annual Conference on Global Economic Analysis under the Global Trade Analysis Project. The study explored the current status of the tripartite free trade area as an actor in global trade by assessing the existing trade performances of the tripartite free trade area member States, the structure of traded products and the utilization of current preferences granted under existing regional economic communities. In addition, the trade creation and diversion effects of the tripartite free trade area were estimated at the six-digit tariff line level of the Harmonized System, providing detailed indications to trade negotiators.

D. Trade strategy project for poverty reduction

614. UNCTAD is implementing a Development Account-funded project entitled "Strengthening of capacities of trade and planning ministries of selected LDCs, to develop and implement trade strategies that are conducive to poverty reduction". The objective of the project is to increase the capacity of the trade and planning ministries of participating LDCs to jointly assess trade options and fully understand the implications of trade strategies and policies conducive to poverty reduction. Six LDCs are expected to benefit from the project, namely Ethiopia, Kiribati, the Lao People's Democratic Republic, Lesotho, Myanmar and Senegal. Preliminary project work was initiated in Kiribati. In the Lao People's Democratic Republic, UNCTAD conducted a national workshop, together with a training module. Relevant stakeholders from planning and agriculture ministries, central banks and other public institutions, as well as the private sector and civil society, participated and actively contributed to discussions and deliberations. Further training activities and project proposals were identified, particularly to address capacity and technical assistance needs, including training to be provided by UNCTAD. In Senegal, a

national workshop on this topic was held in January 2014, with special emphasis on the most recent national development plan, namely the *Plan Sénégal Emergent*. A national study on trade, planning and poverty reduction was prepared by a national consultant and completed following the national workshop and consultations with stakeholders.

E. Market access and trade laws for least developed countries to enhance the value of traditional products

615. The project on market access and trade laws for LDCs helped increase the utilization of market access initiatives in favour of LDCs. The project supports rural communities in using geographical indications and in increasing their export and supply capacities of traditional products, enlarging the scope of activities beyond mere market access.

616. In July 2014, a feasibility study on Cambodian products potentially eligible for geographical indications was undertaken in the following provinces: Banteay Meanchey, Battambang and Kampot. The study focused on the potential development of three products, namely Kampot durian, Phnom Srok silk and Battambang rice. A working group was created, consisting of staff from the Geographical Indications Bureau, one representative from each of the three provincial departments of commerce and one representative from each of the three provincial departments of agriculture. UNCTAD organized a field mission to support the feasibility study, in line with its related activities on geographical indications and market access.

617. Several workshops on geographical indications were held in 2014, as detailed below.

618. **Casamance, Senegal, 4 and 5 February 2014 – Development and commercialization of fruits in Casamance through geographical indications:** A wide variety of traditional products and preparations is available in Casamance. However, competition is strong in global markets and such products suffer from an important lack of notoriety, including fruits such as guava, tamarind, ditakh or madd that are grown in Casamance and transformed into fruit juices by local communities of women. To secure higher returns from sales, there is a need to develop a legal framework for the names of regional foods and promote the use of food quality names, such as geographical indications and protected designations of origin. These issues were discussed with all relevant stakeholders participating in the workshop, mainly representatives of government, civil society and rural communities. Detailed information on the theory of geographical indications, quality, sustainability, marketing and environmental protection was shared with participants.

619. **Turin, Italy, 23 and 24 October 2014 – Voices from rural communities in LDCs and promoting traditional food products and the territory through "made in" initiatives and geographical indications:** This event, organized jointly with Slow Food, was held at the Terra Madre fair, and discussed how the international community can help develop mechanisms to promote traditional products from LDCs. The focus was on geographical indications laws and branding techniques linked to the concept of "made in". The following three main issues were on the agenda: promoting traditional products and territories trough international trade laws and techniques; sharing country experiences such as challenges and success stories; and reflecting on lessons learned from rural communities and a possible way forward to further assist them in promoting their products through geographical indications and related techniques. UNCTAD assisted at a round table with regard to the latter. The workshop resulted from preliminary work conducted by UNCTAD and beneficiary countries (Bhutan, Cambodia, Ethiopia, the Lao People's Democratic Republic, Mauritania, Mozambique and Senegal), while discussions highlighted the need to pursue the work.

620. **Amparafaravola, Madagascar, 1 December 2014 – "Promoting traditional products: moving towards geographical indication registration for the pink rice of Madagascar"**: UNCTAD representatives and geographical indications experts travelled to the Lake Alaotra Region to better understand the growing conditions of pink rice and conduct exchanges with farmers on how to promote their products through geographical indications. In particular, the workshop discussed the following questions: what is the appropriate organization of rice producers? What are the specific characteristics of the rice from the region? How should a document of specifications for geographical indications be drafted? What are the varieties of rice to be included and what is the geographical area? What would be the name of the geographical indication? The workshop aimed at raising the awareness of farmers on the potential benefits of geographical indications, not only in terms of notoriety for the pink rice, price increases and income generation for farmers, but also regarding the scope of intellectual property protection.

621. **Phnom Penh, Cambodia, 11 and 12 December 2014 – "Making geographical indications work for rural communities in selected Asian countries"**: The main objective of this workshop was to share experiences among different rural communities and government officials from selected Asian countries and contribute to the adoption of best practices. The different participants, stakeholders and donors participating in the workshop sought a better understanding of the constraints and difficulties that rural communities and countries are facing in promoting their products while preserving their identity using geographical indications. The workshop aimed at advancing the interest of many LDCs and rural communities in geographical indications and at sharing experiences and ideas on how to implement them effectively. It also served to strengthen South–South collaboration. The way forward for each country depends on its current stage in the geographical indications implementation process. In Cambodia, following the Kampot pepper success story, the main challenge now is to move forward with new products. Finally, participants discussed lessons learned from the preceding workshop held in Turin, Italy, in October 2014.

622. **Geneva, 16 December 2014 – Geographical indications among LDC delegates from permanent missions in Geneva and representatives of rural communities:** The main objective of this workshop was to share experiences among rural communities and LDC representatives at the United Nations and WTO in Geneva and other stakeholders in Geneva on lessons learned in using geographical indications to promote the value added of the products of rural communities. The activity was intended to contribute to establishing a bridge between rural communities and their representatives in Geneva. In order to better understand key features of geographical indications, the legal framework and the importance of a high level of quality and compliance with sanitary and phytosanitary requirements, industry experts were invited to participate in the workshop. Representatives of rural communities were invited to express their interests and concerns regarding geographical indications. In addition to these inputs, interventions were made by the representatives of Benin, the Central African Republic, Haiti, Mali, Senegal and the United Republic of Tanzania. Finally, to better understand the constraints and difficulties that rural communities in LDCs are facing in promoting their products, representatives of donor countries and other developed countries highly involved in geographical indications, such as Italy, Switzerland and France, attended and participated in interactive discussions.

623. **Ethiopia, December 2014 – Training in geographical indications for Harenna Forest wild coffee**: This training, organized in collaboration with Slow Food, on building the capacity of a community of indigenous peoples in a remote forested area, introduced the theory of quality, sustainability, marketing, geographical indications and environmental protection. Practical training was given to the farmers of three cooperatives of Harenna Forest wild coffee and government extension workers.

XVIII. Cluster XVIII: Executive direction and management, and support services

Lead entities: Office of the Secretary-General, Technical Cooperation Service and Resources Management Service

624. Programmes under this cluster (table 18) include support services projects from which all divisions benefit, as well as projects under the direct responsibility of the Office of the Secretary-General. Trust fund projects in support of activities for cooperation and outreach with civil society and for activities carried out in the areas of gender and trade are also included in this cluster.

Table 18
Executive direction and management and support services

Project number	*Short title*	*Period covered*	*Source of fund*
INT/0T/0BU	Support to UNCTAD technical cooperation	2000–	Belgium
GLO/0T/8CG	Support to Avian Influenza and Food Crisis Coordination Office	2008–	United Nations Development Programme
GLO/0T/ABA	Support and capacity-building for Group of 77 countries	2010–	China
INT/0T/1AK	Financing of participation of experts from developing countries and countries with economies in transition in UNCTAD expert groups	2001–	Finland, Iceland and Mauritius
INT/0T/4BS	Strengthening results-based management of UNCTAD programmes	2004–	Norway
INT/0T/AAO	Civil society participation in the UNCTAD activities	2011–	Multi-donor
LAO/0T/BAJ	Enhancing sustainable tourism, clean production and export capacity in the Lao People's Democratic Republic	2011–	United Nations Office for Project Services
RAF/0T/CAR	Promoting regional supply chains in sub-Saharan Africa	2013–	African Export-Import Bank
ROA-2244 (Q7)	Enhancing capacities of developing countries to mainstream gender into trade policy	2010–	Development Account
UND12–340	Interregional advisory services	Ongoing	Regular programme of technical cooperation

A. Strengthening results-based management of UNCTAD programmes

625. In 2014, this trust fund continued to support the work of the Evaluation and Monitoring Unit aimed at strengthening the accountability and lessons learned of the secretariat, thereby contributing towards UNCTAD's results-based approach to its work. Three project components are intended to be supported by this trust fund, as follows:

(a) Annual in-depth evaluation of an UNCTAD programme of work that, through independent and expert advice and interactions with stakeholders during the evaluation process, contributes to reorientation of the programme for enhanced impact and effectiveness;

(b) Publication of a results-oriented annual report of UNCTAD;

(c) UNCTAD's participation in inter-agency initiatives on evaluation, in particular through active membership in the United Nation Evaluation Group's work to harmonize evaluation standards and strengthen methodologies, such as on impact evaluation, and on the evaluation of normative work.

626. The contribution received for 2014 was limited to enabling project component (a), and the outcomes of this activity are described below.

627. In 2014, this trust fund enabled delivery of the external evaluation of the work undertaken by subprogramme 2, which was considered by the Working Party on the Strategic Framework and the Programme Budget at its sixty-eighth session in 2014. The evaluation contributed to accountability and lessons learned through the clear provision of assessments of performance against the programme plans that member States consider and approve each biennium, and is thus consistent with results-based management principles.

628. Among the main observations of the evaluation team, the subprogramme received strong marks for the relevance of its core products and services, with each core product incorporating elements of all three pillars of UNCTAD, namely research and analysis, consensus-building and technical cooperation. Although the team concluded that current mandatory reporting structures within the United Nations did not allow for a good basis to fully appraise effectiveness against targeted outcome changes and development impacts, the team concluded that the subprogramme delivered significant impact, and observed that the subprogramme had a critical role to play in the discussion on the contribution of FDI and private sector investment to development in post-2015 sustainable development goals. On the basis of its observations, the evaluation team presented nine recommendations, including the following three: member States should ensure a continued leading role for the subprogramme in the ongoing debate on the strategic importance of FDI and private sector investment in achieving development goals under the post-2015 sustainable development goals; the responsible division for the subprogramme should continue its systemic review and updating and upgrading of its core products; and the responsible division should generalize the consistent use of measurable results chains based on specific, measurable, achievable, relevant and time-bound indicators, with a focus on outcome changes, for planning, monitoring and management purposes. At the conclusion of the Working Party session, member States noted with appreciation the findings of strong relevance, significant impact, broad sustainability and effective and efficient delivery of work by the secretariat under the subprogramme. Member States also expressed their appreciation to the independent evaluation team for the evaluation report and emphasized the importance of the independent evaluation process in UNCTAD in contributing to the sharing of information, learning and the improvement of programme effectiveness and accountability.

629. **Participation of the cluster at the United Nations system level:** On 4 December 2014, UNCTAD and ILO signed a memorandum of understanding to support the development of joint research and policy advice, as well as increased inter-agency

operations for more coherence and impact at the national and regional levels. The memorandum of understanding will facilitate the materialization of UNCTAD–ILO policy orientations in joint programmes conducted by the United Nations inter-agency cluster and will allow for more coherence and impact at the country level.

B. Advisory services

630. As reported in previous years, UNCTAD technical cooperation is supported not only by project-specific funds but also from section 23 of the United Nations programme budget. Under this budget, UNCTAD received, for 2014, an allotment for general temporary assistance, together with travel, and individual fellowship funds. These resources were devoted to five main areas, as follows: globalization and development; issues related to international trade in goods and services, and commodities; investment, enterprise development and technology; services infrastructure for development and trade efficiency; and LDCs (interregional advisers undertook two missions in 2014).